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Ministers Approve Contra Demobilization Plan

PA0408141389 Panama City ACAN in Spanish 1308 GMT 4 Aug 89

[Text] Guatemala City, 4 Aug (ACAN)—Early this morning in Guatemala City, the Central American foreign ministers approved a nine-point agenda, including the demobilization of the Nicaraguan contras, which is one of the essential issues for discussion by the area presidents at the upcoming presidential summit to be held in Tela, Honduras, this weekend. This was announced by Guatemalan Foreign Minister Mario Palencia at the end of a meeting which lasted almost 20 hours.

The Salvadoran guerrilla issue will be discussed at a foreign ministers meeting scheduled for tomorrow, 5 August, a few hours before the presidential summit is expected to begin.

The nine points approved by the five Central American foreign ministers are as follows:

1. The plan for the demobilization, repatriation, and relocation of the Nicaraguan contras currently located in Honduras.

2. The verification of the fulfillment of commitments made by the Central American presidents at the meetings in Esquipulas (Guatemala), Alajuela (Costa Rica), and Costa del Sol (El Salvador).

3. The follow-up of the progress made by the region's countries in political matters.

4. The verification, control, and follow-up of security matters.

5. The area countries' economic situation and the foreign debt problem.

6. The eradication of drug trafficking in Central America.

7. The problem involving the refugees and displaced people in the area.

8. Environment and [sentence as received]

9. The Central American parliament, whose formation has already been approved by the legislative assemblies of all the Central American countries, with the exception of Costa Rica.

Foreign Minister Palencia—appointed by the rest of the Central American foreign ministers to be in charge of informing the press of the results of the 2-day meeting held in Guatemala—emphasized that great "progress" had been made during the meeting and that only the new issue of the demobilization of El Salvador's Farabundo Marti National Liberation Front (FMLN) remains pending.

"The technical commission appointed by the Central American foreign ministers to draft the agenda was able to make progress with regard to the aforementioned nine points; however, progress was not made with regard to the Salvadoran proposal, which will be discussed tomorrow, 5 August, in Honduras."

It was reported that the Salvadoran delegation insisted on proposing that the demobilization of the Salvadoran rebel forces be conducted jointly with the demobilization of the Nicaraguan contras, a proposal which has been the central point of discussion between the Nicaraguan and the Salvadoran delegations.

According to the Guatemalan, Costa Rican, and Honduran delegations, El Salvador's plan to demobilize the FMLN guerrillas "is legitimate," because El Salvador shares with Nicaragua "the right to seek peace in its territory."

Nicaraguan Foreign Minister Miguel D'Escoto said that the Salvadoran Government has the right to present a plan, "but not a plan for demobilization, because the contra problem is different from that of the FMLN."

D'Escoto pointed out that the contras attack Nicaragua from bases inside Honduras, while the Salvadoran guerrillas are fighting in Salvadoran territory and that "therefore a demobilization plan is inapplicable in El Salvador's case."

According to Salvadoran Foreign Minister Manuel Pacas, the meeting resulted in progress regarding the proposal he presented, "because the other foreign ministers recognized the need to reach an agreement that could bring peace to my country."

The Central American foreign ministers will resume their talks on the Salvadoran issue on Saturday, 5 August. The Salvadoran issue will ultimately be discussed by the Central American presidents at the presidents' summit, which will begin in the Honduran port city of Tela on Sunday, 6 August.

Arias Meets With FMLN, URNG Before Summit

PA0608131489 Buenos Aires REUTER in Spanish 0415 GMT 5 Aug 89

[Text] San Jose, 4 Aug (REUTER)—Costa Rican President Oscar Arias held meetings with a number of leading Central American figures prior to the Central American presidential summit scheduled to begin this morning in the port city of Tela, Honduras.

Arias, 1987 Nobel Peace Prize winner for his efforts toward Central America's pacification, met today with top leaders of El Salvador's Farabundo Marti National Liberation Front (FMLN), and yesterday with Guatemalan rebel leaders. He has met regularly with leaders of Nicaragua's National Opposition Unity (UNO).

The FMLN's Guadalupe Martinez and Commander Mario Lopez said at the presidential palace that their meeting with Arias was to exchange viewpoints concerning the peace agreements that will be studied at the summit.

They said that the FMLN is not willing to accept a demobilization plan similar to the one proposed for approximately 12,000 Nicaraguan contras based in Honduras.

Martinez and Lopez also denied the possibility of planning a meeting with Salvadoran President Alfdredo Cristiani, even if he suggests it.

"A full negotiating process is necessary to ensure that the proper conditions are met for direct dialogue," Lopez said.

Arias met yesterday with the Guatemalan National Revolutionary Unity (URNG) members Hector Nuila, Francisco Villagran, and Pablo Monsanto, who proposed a joint meeting with the Salvadoran president, Army, political parties, and church to "initiate the process of transition to democracy in Guatemala."

Monsanto said that the main obstacle to dialogue in Guatemala is still the Army and the fact that currently "there is no one to guarantee political participation, let alone life."

The Guatemalan guerrillas complained about what they consider the country's hasty move toward militarization.

Arias will travel tomorrow at 0100 (1600 GMT) to Honduras to participate in the summit scheduled to take place at a Honduran tourist resort.

Central American Presidents Hold Summit Meeting

El Salvador's Cristiani Arrives

PA0508154189 Hamburg DPA in Spanish 1524 GMT 5 Aug 89

[Text] Tela, Honduras, 5 Aug (DPA)—Salvadoran President Alfredo Cristiani arrived here to attend the Central American presidents summit. The arrival of Costa Rican President Oscar Arias, Guatemalan President Vinicio Cerezo, and Nicaraguan President Daniel Ortega is expected. The Central American presidents summit will begin at 1200 [1800 GMT]. An important topic for discussion will be the demobilization of the contras located in Honduras.

Cristiani Interviewed

PA0508163389 Tegucigalpa Radio America in Spanish 1536 GMT 5 Aug 89

[Interview with Salvadoran President Alfredo Cristiani by unidentified reporters upon his arrival at the Tela Airport in Honduras—live]

[Text] [Reporter] What about the proposal to demobilize the Salvadoran guerrillas?
[Cristiani] Well, we believe that, according to the agreements that have been reached [words indistinct] is part of the Costa del Sol agreements. We believe that it is necessary to demobilize all irregular forces in Central America.

[Reporter] What is your opinion on Nicaragua's proposal? They [the Nicaraguan Government representatives] have talked with the country's internal opposition to reach an agreement on the demobilization of the contras in Honduras.
[Cristiani] We believe that solutions must be sought through dialogue. We believe that the fact that the Nicaraguan Government is holding talks with the internal opposition is positive. We believe [words indistinct].

[Reporter] Does this mean that you will hold talks with the Farabundo Marti National Liberation Front [FMLN] in your country?
[Cristiani] We have been willing to do so since 1 June. It is the FMLN that has not [words indistinct].

[Reporter] The Bush administration has opposed the demobilization of the Nicaraguan contras until the elections are held in Nicaragua. What is your opinion on that?
[Cristiani] I believe that it is a matter of procedures [words indistinct]; it is involuntary. I think that it is necessary to talk to them [not further identified], and that this is a result of the democratic opening in Nicaragua.

[Reporter] This is your first participation in a [Central American presidents] summit, Mr President.
[Cristiani] Correct.

[Reporter] Do you believe that peace can be achieved in Central America as a result of this meeting?
[Cristiani] Yes; otherwise we would not be here.

[Reporter] Mr President, what proposals will be brought to this presidents summit?
[Cristiani] We have come here to continue the efforts made at Costa del Sol. We believe that it is necessary to fulfill all agreements. We must continue to seek peace and democracy in Central America.

[Reporter] The Salvadoran guerrillas say you have not complied.
[Cristiani] We have been complying with all the agreements since Esquipulas II was held in October [words indistinct].

[Reporter] [Words indistinct] between the contras and the Salvadoran guerrillas?
[Cristiani] No, there is none.

Guatemala's Cerezo Arrives

PA0508181289 Panama City ACAN in Spanish 1746 GMT 5 Aug 89

[Text] Tela (Honduras), 5 Aug (ACAN-EFE)—Guatemalan President Vinicio Cerezo arrived here at 1105 (1705 GMT), where the summit of five Central American presidents will begin today. The Guatemalan head of state said that he was "very optimistic," noting that "in general terms, all the presidents have demonstrated their desire for peace." Cerezo added: "Judging by our past efforts, my impression is that we will reach firm agreements." He was greeted at the Tela Airport by Honduran President Jose Azcona.

The summit will discuss a nine-point agenda. One of the most important points is the drafting of a plan to dismantle the contras, the armed group opposing the Sandinist regime. Asked about U.S. "pressure" to prevent an agreement on putting an end to the contras, Cerezo replied: "The important thing will be what the Central American presidents decide to do."

Nicaragua's Ortega Arrives

PA0508200889 Tegucigalpa Radio America in Spanish 1833 GMT 5 Aug 89

[Interview with Nicaraguan President Daniel Ortega by unidentified reporters upon his arrival at the Tela Airport in Honduras—live]

[Text] [Ortega] On behalf of the Nicaraguan people, I salute and embrace the people of Honduras.

[Reporter] What is the Nicaraguan Government's position at these talks?
[Ortega] I come with a mandate from the Nicaraguan people and from all the Nicaraguan political parties because, on Thursday [3 August], we reached an agreement with all Nicaraguan political parties, whereby we have decided to ask the Central American presidents meeting in Tela to dismantle and to demobilize the counterrevolutionaries from Honduran territory, according to what we signed in El Salvador in February.

[Reporter] [Words indistinct]
[Ortega] Honduras must fulfill the agreement signed by the Honduran president in El Salvador. The Honduran president made this commitment, and it is his duty to guarantee Honduran sovereignty and to remove the contras from Honduran territory.

[Reporter] [Words indistinct] the contras from our territory?

[Ortega] Well, the problem is that Honduras has violated international law by allowing the presence of contras in its territory. It would be similar to Nicaragua's lending its territory to armed Honduran groups so that they could set up their camps.

[Reporter] The Sandinists were here?
[Ortega] If we allowed them to have their camps... [changes thought]. We were chased away from Honduras; we were chased away. I was once a guerrilla in northern Nicaragua on the border with Honduras. We had to flee from the Honduran people because they chased us. We never had a camp in Honduran territory.

[Reporter] Contra leaders met with President Bush, and he said that he would continue to support the contras. What is your opinion on that?

[Ortega] I believe that President Bush will have to accept reality, which is that the Central American presidents and the Central American peoples are tired of war; they want peace. We Central Americans are the ones who are being killed, not the U.S. soldiers. The United States has the duty to respect decisions made by the Central American peoples and governments.

[Reporter] What are the real bases of the agreement reached with the Nicaraguan opposition?
[Ortega] It is a document that was signed by all political parties. Obviously, I signed it myself. The main point in the document is that we propose the dismantling of the contras. That was the first issue we discussed. The document notes that once the contras are dismantled, there will be an amnesty, and prisoners remaining in Nicaragua will be released. We also stressed that foreign forces should not meddle in the Nicaraguan election process; the CIA, for example, has been authorized to meddle in the Nicaraguan election process; this was discussed at the U.S. Congress. Therefore, we are against this kind of activity, which shows disrespect for Nicaraguan sovereignty.

[Reporter] [Words indistinct] concerning [words indistinct]. However, is it not also necessary to hold talks with the contras?
[Ortega] What did you say? That we must talk to the contras?

[Reporter] [Words indistinct] it is also necessary to talk to the contras?

[Ortega] Well, we will have to hold talks with the contras to find out how they can be dislodged [from Honduras] and return to Nicaragua; or we must discuss whether they want to stay here in Honduras—because some may want to stay in Honduras and others may want to go elsewhere, such as to the United States. I believe that the United States should take care of those who do not want to stay in Central America, because the United States supported the contras. The United States should not place this burden on Honduras or on the other Central

American countries. Therefore, we will have to hold talks with the contras to get them out of here, to get them out of here in an orderly manner and not by shooting at them.

[Reporter] Mr President, the contras are demanding guarantees.
[Ortega] Guarantees already exist in Nicaragua.

[Reporter] Commander Ortega, do you help the Farabundo Marti National Liberation Front [FMLN]?
[Ortega] What?

[Reporter] Do you provide assistance to the FMLN?
[Ortega] We are in favor of a negotiated solution.

[Reporter] [Words indistinct] said it has evidence that Nicaragua provides assistance to the FMLN. This was said yesterday by Nicaraguan Foreign Minister Miguel D'Escoto.

[Announcer] The statements by Commander Daniel Ortega have been interrupted because the plane that brought him to the airport is about to take off. At this time, the Honduran foreign minister is asking Mr Ortega to go to [words indistinct]. The foreign minister is trying to convince Ortega to stop making statements, but Mr Ortega seems very willing to continue to make statements to the press. At this moment, President Ortega cannot answer the questions being posed by local and foreign newsmen because the plane is taking off.

[Reporter] Mr Ortega...
[Ortega, interrupting] Concerning your question a few minutes ago regarding the FMLN, I just held a meeting; I just held a meeting with the FMLN General Command. They are touring the area, and I have met them. They gave me a letter addressed to the Central American presidents expressing their willingness to begin a dialogue with the Salvadoran Government, using as a basis the dialogue that the FMLN has held with the political and social forces in El Salvador. The FLMN recently met with the legally registered political parties in El Salvador. The FMLN has met with social groups, and, after these talks, they made a specific proposal: To begin a dialogue to reach a negotiated solution to the conflict that the Salvadoran people are enduring. Our desire is to support a negotiated solution—as established in the Esquipulas Agreements—to find a negotiated solution to this kind of Central American conflict.

[Reporter] If a consensus has practically been reached to demobilize the contras, why has Nicaragua not withdrawn the lawsuit it filed against Honduras at the Hague Court since the issue is to try to find points of agreement to attain peace?

[Ortega] As long as the contras remain in Honduran territory, international law is being violated. The reason Nicaragua filed the charges at the International Court of Justice [ICJ] is because of the contra presence in Honduran territory. So, if the cause of the suit disappears, then the effects will also disappear. But first the cause has to disappear for us to be able to find solutions to lawsuits such as the lawsuit Nicaragua has filed at the ICJ.

If, for example, I feel I am being attacked by someone, if I feel someone is attacking me, I will go to the judge and file charges against the attacker to get the judge to issue a ruling on the matter. In other words, the one who feels no guilt goes to the judge and requests punishment for the wrongdoer. Now, if the wrongdoer who is attacking me says he will halt his attacks and proposes that we reach an agreement, then we can find a solution. However, as long as the cause has not been eliminated, the lawsuit will not disappear.

[Reporter] The Honduran president has said that in this matter of the demobilization, there must be goodwill on the part of the Sandinists and credibility on the part of the contras so the demobilization can take place. Is this correct?

[Ortega] There is a basic [words indistinct], which is: President Azcona is the Honduran president. He is not the Nicaraguan president. The name of the Nicaraguan president is Daniel Ortega. Therefore, President Azcona cannot make decisions on the Nicaraguan political situation. In the same manner, the Nicaraguan president cannot come here and make decisions concerning the Honduran political situation. If I disagree with the political situation in Honduras, that does not grant me the right to permit military groups to organize camps in my territory to attack the Honduran Government. Therefore, the Honduran Government has no right—no matter how much discomfort the Nicaraguan Government may be causing, or because it does not share some Honduran positions—to establish camps to attack Nicaragua. The Honduran Government must respect international law, and international law clearly states that we must not allow our territories to be used for the purpose of staging attacks on other states. The agreement we signed in August 1987 in Guatemala clearly states our pledge not to allow our territories to be used to attack other states. Therefore, I hope that the Honduran president will act in accordance with the agreement we signed.

I have confidence in President Azcona. I believe he has made a great effort for peace, and I am certain that this is our great opportunity to make further gains in this Central American pacification process. It is precisely that, a pacification process, in which peace will not be achieved in a day but through the joint efforts of all the Central American governments.

FMLN Sends Letter

PA0508220789 Tegucigalpa Radio America in Spanish 1927 GMT 5 Aug 89

["Text" of letter dated 5 August in El Salvador from the General Command of the Farabundo Marti National Liberation Front to the Central American presidents meeting in Tela, Honduras]

[Text] El Salvador, 5 August 1989

Mr Presidents Jose Azcona, Oscar Arias, Alfredo Cristiani, Vinicio Cerezo, and Daniel Ortega:

With the purpose of achieving a fair and lasting peace in El Salvador, the FMLN [Farabundo Marti National Liberation Front] informs the Central American presidents meeting in Tela, Honduras, of our willingness to participate in a direct and constructive dialogue and negotiation with the Salvadoran Government.

We have recently held private meetings with opposition political parties and with all the social forces of the country. At these meetings, we have all reiterated our interest in achieving peace through negotiation. Therefore, a series of talks have been held that may soon lead to a dialogue with all parties.

We request the cooperation of the Central American governments so that they—in the spirit of searching for lasting peace in the region—may contribute to help the political and social forces of El Salvador find a political, negotiated solution to the conflict in our fatherland.

[Signed] General Command of the FMLN
Commander Eduardo Sancho
Commander Francisco Jovel,
Commander Leonel Gonzalez
Commander Jorge Shafik Handal
Commander Joaquin Villalobos

[Hamburg DPA in Spanish at 2203 GMT on 5 August reports that the above letter was delivered to the Central American presidents meeting in Honduras by Nicaraguan President Daniel Ortega

Azcona on Summit Topics

PA0508224789 Tegucigalpa La Voz de Honduras Network in Spanish 1800 GMT 5 Aug 89

[News conference by Honduran President Jose Azcona Hoyos with unidentified reporters on 5 August in Tela, Honduras—recorded]

[Text] [Reporter] Mr President, one of the topics to be discussed deals with the Farabundo Marti National Liberation Front [FMLN].
[Azcona] I believe that at this summit the Central American presidents should support Salvadoran President Cristiani so that he can solve this problem.

[Reporter] How, Mr President?
[Azcona] Well, I do not know. It is not easy to solve this problem. None of the problems will be easy to solve.

[Reporter] Is there a possibility for dialogue?
[Azcona] Yes, but the Nicaraguan Government would also have to hold a dialogue with the Nicaraguan resistance.

[Reporter] I am the Voz de Nicaragua reporter. What is your opinion of the agreement reached by the Nicaraguan Government with the political parties?
[Azcona] Well, I read the agreement last night and believe it to be a step forward. Incidentally, I read it twice last night, and it is a very long document. I am talking about the agreement with the parties that are truly opposition parties and not the one made with the other parties, because these are not really opposition parties.

[Reporter] What I wanted was your opinion on the demobilization of the contras from Honduras.
[Azcona] Oh, you are talking about the small document that makes demands, demands, and more demands. This document has no value.

[Reporter] I mean the document signed with the 21 political parties...
[Azcona, interrupting] That agreement is valuable, but it does not mention the contra demobilization. The document states that the Nicaraguan Government and the opposition parties agree that the Esquipulas II and Costa del Sol agreements should be upheld. This is the document I read twice, and I believe it is quite serious and a step forward.

[Reporter] What will you do to get the mercenaries to leave your country?
[Azcona] First, I do not use derogatory terms. They are Nicaraguans who for different reasons disagree with the system in Nicaragua. These Nicaraguans oppose the system, and for this and other reasons they have taken up arms against the system and have taken refuge in Honduras. I do not use the term mercenary. I understand the Nicaraguan Government uses it, and it is all right for them to do so, but I will not answer a question that uses a term that I believe is too derogatory.

[Reporter] The demobilization plan has a very firm deadline and is to be completed within 90 days. Do you think...
[Azcona, interrupting] No, no. The 90-day deadline is included in an agreement signed by Nicaraguan President Ortega with three small Nicaraguan leftist parties. I do not believe this document is very important. I do believe, however, that the agreement signed by the Nicaraguan president and the opposition parties is important because it is based on the Esquipulas II and Costa del Sol agreements. [Words indistinct] terrorists in El Salvador and contras are presently not active, so both situations —contras and guerrillas—are different.

[Reporter] Is it true that President Cristiani is going to present a parallel program at the summit?
[Azcona] [Words indistinct] President Cristiani comes to the summit as El Salvador's legitimate president. He has the right to present his points of view. He has the right to contribute to the solution of problems in other countries as well as to ones in his own country.

[Reporter] Is there a possibility that a demobilization plan for the Salvadoran guerrillas will be studied at this summit if President Cristinai presents one?
[Azcona] Of course. He has a right to do so.

[Reporter] President Azcona, what is your government going to do if the Armed Forces' investigation proves that the arms shipments recently discovered are being sent to El Salvador, presumably, by Nicaragua?
[Azcona] If it is proven that the Nicaraguan Government is sending the weapons, we will present the corresponding charges. If the persons doing so are Hondurans, our laws will punish those responsible for these actions. The Armed Forces have already arrested several persons linked to the arms shipments.

[Reporter] However, as the situation stands, while the five presidents are searching for ways to achieve peace, rebel groups continue to carry out these activities against peace that have already left thousands dead in Central America.
[Azcona] That is why I told you we have Armed Forces that are responsible for uncovering these crimes, and they have already arrested the persons linked to these shipments.

[Reporter] What is your opinion of the agreement signed by the Nicaraguan Government and the opposition parties?
[Azcona] I have received two documents. I believe one of them—the one signed with several opposition parties—is serious. The other one—that is the agreement signed with small leftist parties—I do not believe is relevant at all. It demands that Honduras demobilize the contras within 90 days. This is a unilateral demand and has no value whatsoever. The other agreement does have value, is important, and we have studied it carefully.

[Reporter] [Words indistinct]
[Azcona] There should be a dialogue with the contras, too. It is impossible for a group as large as the contras not be listened to.

[Reporter] [Words indistinct]
[Azcona] In this meeting? No, this meeting is a presidents meeting, not one for groups.

[Reporter] But is there a possibility...
[Azcona, interrupting] For the contras to come to talk...

[Reporter, interrupting] to Ortega?
[Azcona] Well, that depends on Ortega [words indistinct].

Costa Rica's Arias Arrives

PA0508233089 Tegucigalpa Radio America in Spanish 1942 GMT 5 Aug 89

[News conference given by Costa Rican President Oscar Arias upon arrival in Tela, Honduras, to participate in the Central American presidents summit on 5 August—recorded]

[Text] [Arias] We have always hoped that the other fraternal Central American peoples, who are not currently enjoying peace [words indistinct]. Our policy has always been the same. We view the future with optimism and hope. We hope that Central American peoples will be able to enjoy democracy and freedom, because without this it will be difficult to achieve lasting peace.

Costa Rica is coming here with its usual attitude: To try to promote a consensus, build bridges, unify actions with the sole purpose of reaching accords and doing away with any dogmatism or intransigency to really achieve accords, despite the many pessimistic forecasts to the contrary. We hope to reach accords similar to those reached at previous summits.

[Reporter] Nevertheless, Mr President, the Bush administration plays an important role in Central American issues. It has stated that it does not agree with dismantling the contras and returning them to Nicaragua until elections are held in that country. What guarantees can accords that the presidents might reach offer when there is iron-clad opposition from a power such as the United States?

[Arias] I believe that ever since we signed the peace plan of Costa Rica in Esquipulas, the future of Central America has been in our hands. The truth is that we are mainly responsible for finding a solution to the problems that divide our peoples. Many people can pass judgment, but the five Central American presidents will have the last word here in Tela, (?as we have on other occasions).

[Reporter] What if no consensus is reached at this summit?

[Arias] There could a sixth, seventh, and eighth summit. I hope that the presidents will never again stop exchanging views among themselves. I believe that it is important to note that, although we have not gone far in the effort to achieve peace in Central America, we have at least created a different atmosphere. You are aware of this.

I believe that you enjoy attending these meetings as much as we presidents do, especially when they take place in very beautiful resorts with beautiful beaches. However, the truth is that there is a different atmosphere in Central America today.

Although the five presidents advocate different positions, although we belong to political parties with different ideologies, the truth is that we no longer fear dialogue. The truth is that we no longer fear having opposing views one day and agreeing the next.

I believe that is very important. That is why there will necessarily be more meetings, even after our presidential terms are over, even though the signatories of the Costa Rican peace plan are no longer presidents in their respective countries. We have created a new atmosphere. We have opened new paths. We have helped bury the cold war. That is why this path that we have opened is irreversible.

[Reporter] Mr President, in your opinion, what have been the main obstacles that have prevented the Central American presidents from achieving more progress toward peace at previous summits in Central America?
[Arias] Oh, there are so many, so many, my friend. [reporters laugh]

[Reporter] Could the guerrilla issue become another obstacle?
[Arias] In some cases, I believe we have lacked willingness; we have lacked flexibility; we have lacked the necessary will to reach an agreement or negotiation, where one must be mentally prepared to give in—meaning one must accept a colleague's position—for the sake of achieving a consensus.

[Reporter] Do you believe...
[Arias, interrupting] One must also keep in mind a very important thing. If you are a true democrat, you know that power is wielded temporarily. One may wield power for a period of time only, but one must be mentally prepared to be a leader of the opposition. When people cling to power and believe that they will wield this power all their lives, then things undoubtedly become much more complicated.

[Reporter] Mr President, would you be willing to discuss the Salvadoran guerrilla issue during the summit?
[Arias] Yes, of course. I fully agree that we should talk about the situation in El Salvador. We have never stopped talking about the situation in El Salvador. At previous meetings, with President Jose Napoleon Duarte, we always discussed the Salvadoran people's anguish, and I do not believe that the Salvadoran people, who have suffered a cruel, unrewarding, and unnecessary war for the past 10 years, deserve to live at war and continue to kill each other for 5 more years under President Cristiani's administration. Of course we must talk about El Salvador. I do not want Central America to become another Ireland, where they have been at war for many decades. I do not want for Central America the violence that has been suffered for many decades by the Colombian people. I do not want for Central America the sorrow that has afflicted the Palestinian and Israeli people in the Middle East. In sum, we prepared a peace plan to find the willingness to attain peace, and to attain it as soon as possible. I ask: Why leave for tomorrow what you can do today?

[Reporter] [Words indistinct] contras' demobilization before the elections in Nicaragua?
[Arias] I think we will talk about this, and I believe that the demobilization should be gradually carried out. However, the demobilization could never be made contingent upon the holding of the elections. That is not the spirit of [words indistinct]

[Reporter] [Words indistinct]
[Arias] That question is very well put, but the question asked by my friend here is [words indistinct]. Excuse me, I cannot... [changes thought] I really expect you to understand that Costa Rican democracy sometimes has its defects. Democracy is, in essence, the distribution of political power, and we have distributed it too much. Thus, I cannot force my Legislative Assembly, my Congress, to approve the Central American parliament. I need two-thirds of the votes in the Legislative Assembly, and this can only be achieved if the opposition parties support me—but I have not been able to convey to the opposition the urgency of approving the Central American parliament. The Executive Branch will support the Central American parliament initiative in August, and nothing would please me more than to have the first debate occur while I am here—or at least to have the Central American parliament approved by the time these special legislative sessions end.

Ortega on 'Intense' Effort

PA0608040389 Tegucigalpa Radio America in Spanish 0328 GMT 6 Aug 89

[News conference given by Nicaraguan President Daniel Ortega with unidentified reporters in Tela, Honduras, on 6 August following the first session of the Central American presidents summit—live]

[Text] [Ortega] We discussed the contra demobilization, the Salvadoran issue, and several other topics.

[Reporter] Did you agree on those topics?
[Ortega] [Words indistinct] upon a request from the foreign ministers.

[Reporter] Mr President, what do you agree with so far?
[Ortega] I agree that we must make an intense effort to reach firm decisions.

[Reporter] What do you mean?
[Ortega] We came here to work, to reach agreements.

[Reporter] On what, for example, sir?
[Ortega] The contra situation, which was left pending from the meeting in El Salvador. We made pledges in El Salvador.

[Reporter] [Words indistinct]
[Ortega] This is a [word indistinct] meeting. We have not begun the discussions yet. We have been talking, thinking, expressing points of view, and agreeing on the need to do some in-depth work.

[Reporter] Will there be an answer to the FMLN [Farabundo Marti National Liberation Front] letter?
[Ortega] [Words indistinct]

[Reporter] Mr President, have the Central American presidents reached any agreements?
[Ortega] We have reached agreements, especially [words indistinct].

[Reporter] [Words indistinct]
[Ortega] In every discussion [words indistinct].

[Reporter] What is the situation regarding the Salvadoran guerrillas?
[Ortega] We will discuss that later.

All 'Optimistic' After Session

PA0608043289 Panama City ACAN in Spanish 0339 GMT 6 Aug 89

[Text] Tela (Honduras), 5 Aug, (ACAN-EFE)— Participants in the first session of the Central American summit meeting under way in Honduras disclosed at the session's conclusion that it was devoted to preparing a demobilization plan for the contras and to the Salvadoran conflict.

The presidents were optimistic as they left the session and pointed out that there were "points of agreement" during the first debates.

Costa Rican President Oscar Arias told the press that the "summit" is studying the approval of "a summons to the sides in conflict to negotiate a solution in El Salvador."

Nicaraguan President Daniel Ortega said that "they discussed a plan to bring peace to El Salvador," where a civil war has caused more than 70,000 deaths over the past 9 years.

Sources from some delegations said, nevertheless, that this "plan" regarding the Salvadoran conflict did not involve the dismantling of the contras.

Arias reiterated his position in favor of the contras' "voluntary and gradual" demobilization, which should begin, he said, "prior to the Nicaraguan elections," which are scheduled for 25 February.

Asked about the "gradual" nature of the anti-Sandinists demobilization, Ortega said that "what matters most is the approval of a plan and the establishment of a deadline."

The meeting will resume tomorrow morning, and the "summit" will continue until Monday, the anniversary of the regional peace agreement known as "Esquipulas."

Ortega on Contra Demobilization

PA0608180589 Hamburg DPA in Spanish 1720 GMT 6 Aug 89

[Text] Tela, Honduras, 6 Aug (DPA)—Nicaraguan President Daniel Ortega today asked the contras in Honduras to agree to their immediate demobilization, as was determined by the Central American presidents at the beginning of a 3-day meeting in the city of Tela, 200 km north of Tegucigalpa.

For the first time in the 6-year conflict in Nicaragua, Ortega called the contras "Nicaraguan brothers," and appealed to them to return to the country to work and engage in the country's political life.

Surrounded by more than 50 newsmen, Ortega announced that the Central American foreign ministers are studying the mechanisms to demobilize the 12,000 contras that remain in Honduran territory.

"You are my brothers," Ortega said, referring to the contras and asking them to agree to the demobilization. He also said that the Nicaraguans, including the contras, have been the victims of the U.S. policy of aggression, begun in 1981 when President Ronald Reagan took office.

Ortega also announced that the Central American presidents will work to draft a "peace plan for El Salvador." Ortega received a dialogue proposal from the Farabundo Marti National Liberation Front (FMLN), which he hand carried and which was accepted by President Alfredo Cristiani.

Besieged by Honduran newsmen, the Nicaraguan president said that his country's suit against Honduras for lending its territory for counterrevolutionary activities will be pursued. He noted that it must not be cause for concern, because it is a matter of international justice, which previously ruled in favor of Honduras in a dispute with Nicaragua.

Demobilization Plan Approved

PA0608185389 Buenos Aires REUTER in Spanish 1755 GMT 6 Aug 89

[Text] Tela, Honduras, 6 Aug (REUTER)—The Central American presidents have decided to approve a plan for the demobilization of the anti-Sandinist contras, but the inclusion of a point on the Salvadoran rebels has complicated the negotiations.

Guatemalan President Vinicio Cerezo said that "we decided to approve a demobilization plan and will give great importance to the discussion of the Salvadoran case."

His Nicaraguan counterpart Daniel Ortega said that "all the presidents agreed to approve a plan at this time" at a summit of Central American presidents, which will end on 7 August, that is currently taking place at this Honduran Caribbean beach resort.

Cristiani on FMLN Dialogue

PA0608184589 Panama City ACAN in Spanish 1719 GMT 6 Aug 89

[Text] Tela (Honduras), 6 Aug (ACAN-EFE)—Salvadoran President Alfredo Cristiani stated here today that he is "ready" to begin direct talks with the guerrillas and to seek a solution through dialogue to his country's warlike conflict.

Cristiani, who is attending a presidential "summit" for the first time, said that his government views the dialogue proposed by the Farabundo Marti National Liberation Front (FMLN) as "positive."

The president said he hopes that the FMLN proposal "will not be a strategy merely to get into the presidential summit and not discuss the warlike conflict in El Salvador."

Cristiani said that his government's only request for beginning the dialogue with the FMLN, announced in his inauguration last 1 June, is that the talks not be suspended for any reason.

The president announced his readiness to begin direct talks with the guerrillas, but not through a dialogue commission, formed more than a month ago by progovernment political personalities. According to the guerrillas, the commission members had no representation or power of negotiation.

Cristiani emphasized that he "is ready to begin the process of dialogue."

"If they (the guerrillas) accept the dialogue, it is to begin to hold contacts to initiate the direct talks," Cristiani stated, without expanding.

The FMLN sent the Central American presidents, through Nicaraguan President Daniel Ortega, a letter requesting "cooperation" to hold a "dialogue, a direct, constructive negotiation" with the Salvadoran Government to end the war that has left 70,000 dead over the past 10 years.

On his arrival in Tela, Ortega told newsmen that he met with the Salvadoran FMLN guerrilla leaders, who gave him a letter for the presidents.

The FMLN announced its "willingness to carry out a process of dialogue, a direct, constructive negotiation with the Salvadoran Government." Toward this end they have held "private meetings" with opposition parties and "several social forces" that exist in that Central American country.

The document is signed by the five principal guerrilla commanders and members of the FMLN General Command—Eduardo Sancho (Ferman Cienfuegos), Joaquin Villalobos, Jorge Shafik Handal, Francisco Joel (Roberto Roca), and Salvador Sanchez (Leonel Gonzalez).

Presidents Discuss El Salvador

PA0608194889 Panama City ACAN in Spanish 1804 GMT 6 Aug 89

[Text] Tela (Honduras), 6 Aug (ACAN-EFE)—The five Central American presidents, who have been meeting in Honduras since Saturday, today initiated a second session during which they will discuss the future of the Nicaraguan contras and a "peace plan" for El Salvador, which has suffered from a bloody 9-year civil war.

Nicaraguan President Daniel Ortega, who has up to now avoided discussion of the Salvadoran situation, said this morning just before the second session of the "summit" that "we must also talk about a peace plan for El Salvador."

"All the presidents have agreed to draft a plan for the demobilization of the contras and a peace plan for El Salvador," said Ortega, who was interviewed by reporters this morning as he jogged with his bodyguards along a beach on the Honduran Caribbean coast where the "summit" is taking place.

Moreover, Salvadoran President Alfredo Cristiani, a rightist, was also optimistic. Today, he described as "very positive" the letter sent by the Salvadoran guerrillas to the presidents, which was delivered by Ortega yesterday.

Cristiani said he was "ready" to initiate direct talks with the Farabundo Marti National Liberation Front [FMLN] guerrillas.

One of his closest advisers Mariano Sandoval said: "We are willing to study the guerrilla proposal as soon as we return to El Salvador (after the summit ends on Monday)."

Cristiani, who had threatened Ortega with making new statements concerning the alleged Sandinist military aid to the Salvadoran guerrillas before the "summit" began, said today, "There is no reason to belabor (Nicaragua's) aid to the FMLN, which is well known to all."

Ortega agreed with him in that "it is not the time to make mutual accusations" and he said he was willing to "study a process of arms reduction in the entire area if all foreign forces are withdrawn."

The Nicaraguan president, one of the most willing to speak to the media, recalled the support given by the Contadora Group, comprised of Latin American countries, to this plan "to create a reasonable balance of forces in the region."

The fact El Salvador gave up the idea of requesting the approval of a plan to demobilize the FMLN simultaneous to the contra demobilization helped, according to observers, to create this new climate of dialogue on the Salvadoran situation.

Moreover, Sandoval admitted, "the word demobilization does not adjust to the FMLN problem." They are a guerrilla force operating in El Salvador and not from another territory, as is the case of the anti-Sandinist rebels stationed in Honduras.

Cristiani's adviser added that "there should exist however, simultaneous treatment of the problem." He revealed that El Salvador might propose at the summit the approval of "verification mechanisms," to control the trafficking of weapons.

Among the points included in the agenda for the summit are implementation of a previous proposal to create a UN-sponsored "international peace force," consisting of troops from Spain, the FRG, and Canada.

Along with this new emphasis on the Salvadoran war, [the presidents] will continue to discuss a plan for the demobilization of the about 12,000 contras who remain, armed by the United States, in Honduran territory.

"The most favorable conditions exist in Nicaragua for the return of the contras," Ortega said. He added: "I see former Somoza guards and the contras as Nicaraguan brothers," who have [words indistinct]. [?The summit] might conclude with unanimous agreements, "that could mean some progress for the Central American peace plan," Ortega said.

Only Guatemalan President Vinicio Cerezo warned that "today's journey will be very difficult, because we are going to start an open discussion on the main points of the agenda."

The meeting will continue today and is scheduled to end on Monday morning, which also marks the 2d anniversary of the "Esquipulas" Agreements that have permited a negotiated solution to the main problems of the region.

Azcona Comments on Contra Plan

PA0708032089 Paris AFP in Spanish 0134 GMT 7 Aug 89

[Text] Tela, Honduras, 6 Aug (AFP)—Honduran President Jose Azcona announced today that demobilizing the Nicaraguan contras will be one of the agreements achieved at the Central American summit that will end Monday, at the Honduran port of Tela.

"There will be a lengthy document on a plan for demobilizing the Nicaraguan Resistance [RN], on the situation in El Salavdor, and on the ONUCA (UN Forces in Central America)," Azcona said this afternoon when talking to newsmen while his area colleagues continued their discussions.

The Honduran president said that the plan to demobilize the U.S.-backed contras based in Honduras, "is being fine-tuned on the basis of two documents, but there are not major differences."

The plan includes dates for the demobilization, relocation, and handing over of weapons by guerrillas to an international verification and support commission (CIAV) that the OAS and UN secretary generals must create.

However, Azcona did not say when the demobilization process will begin, which should be one of the agreements that will be announced by the presidents at the end of the summit.

The Honduran president added that it will be necessary to seek international financial support for the demobilization and the help of third countries to receive the guerrillas who do not want to return to Nicaragua.

Asked about Honduras' demand to condition the contra demobilization on Nicaragua withdrawing the lawsuit against Honduras at the International Court of Justice in The Hague, because Honduras lent its territory to anti-Sandinist guerrillas, Azcona said that the Managua government has said it is willing to withdraw the lawsuit once the cause of the lawsuit is removed

The Honduran president said he was interested in ONUCA, "and even a peace task force coming to Central America," to see that the territories are not used by guerrilla groups to fight legally established governments.

The president would not go into any detail on the proposal agreed upon by the presidents on the war situation in El Salvador.

Azcona said that the document will include topics dealing with ecology and drug trafficking, as well as support for the work done by organizations such as the international commission for the recovery of Central America Sandford Commission, which seeks financial backing for the five isthmian countries.

The Tela presidential summit will end at 1800 GMT on 7 August, the 2d anniversary of the Esquipulas II peace plan.

Draft Contra Plan Reported

PA0608225589 Paris AFP in Spanish 2146 GMT 6 Aug 89

[Text] Tela, Honduras, 6 Aug (AFP)—The contra demobilization plan that is about to be adopted in Tela, Honduras, by the Central American presidents offers the anti-Sandinist rebels a choice between returning to Nicaragua or relocating in a third country willing to take them in.

According to the draft of the agreeement, to which AFP had access, the mechanisms of the "voluntary demobilization, repatriation, or relocation" of the Nicaraguan guerrillas based in Honduras would be broadly assumed by international organizations. An International Support and Verification Commission [Comision Internacional de Apoyo y de Verificacion—CIAV] would be created by the UN and OAS secretary generals to verify Nicaragua's fulfillment of the conditions to guarantee the unarmed contras the possibility of fully returning to civilian life.

This commission, which would be created 5 days after the plan's initiation, would seek the substantial financial resources that will be required [illegible] the deployment and relocation of the former "freedom fighters," as Ronald Reagan used to describe them.

In addition to the 10,000 to 13,000 contras who are currently in camps in Honduras near Nicaragua's northern border, there are approximately 50,000 contra family members who must also be relocated.

After visiting the camps and establishing the necessary contacts with host countries, the CIAV will be in charge of receiving—within 45 days of its formation—the contras' weapons and war equipment. The CIAV will then verify whether or not the camps have been dismantled.

The Nicaraguan Government will pledge, according to the terms of the draft agreement, to establish special border posts where the former contras will receive the documents that will "guarantee them the full exercise of their rights as citizens."

To facilitate the integration of those who wish to be relocated in Nicaragua, the plan calls for the creation, by the CIAV, of centers to receive and offer guidance to the former fighters and their families.

The draft states the possibility that the government may offer the former contras land and economic aid.

The CIAV will also be in charge, "for the length of time it deems necessary," of making periodic visits to the contras relocated in Nicaragua to verify that the government is fulfilling its pledges. All observations in this regard will be submitted in reports to the five Central American presidents.

Contra Demobilization Proposal

PA0708065889 Tegucigalpa Radio America in Spanish 0540 GMT 7 Aug 89

["Proposal" presented by the Nicaraguan Government to the Honduran Government at the Central American presidents summit in Tela, Honduras, on 6 August—read by announcer]

[Text] Agreement of the presidents of Honduras and Nicaragua meeting in Tela, Honduras, on 7 August 1989.

Motivated by the noble objective of maintaining peace, cordiality, and cooperation between Honduras and Nicaragua, countries united by close historic ties of friendship and brotherhood;

Recalling the commitment ratified in the 7 August 1987 Esquipulas agreement on not permitting the use of territory to attack other states;

Bearing in mind the 14 February 1989 Costa del Sol declaration in which the Central American presidents vowed to draft within 90 days a joint plan for the demobilization, repatriation or voluntary relocation [repatriacion voluntaria] in Nicaragua and in third countries of the members of the Nicaraguan Resistance and their families; and

Based on the desire to always keep open the possibilities of resorting to peaceful means to solve controversies, including the International Court of Justice [ICJ] to solve possible controversies or situations that threaten peace and security between the two states, they have agreed to:

Immediately begin negotiations to achieve an out-of-court settlement with regard to the 28 July 1986 suit filed by Nicaragua against Honduras at the ICJ. These negotiations will be based on the following:

A. Having agreed on the joint plan for the demobilization, repatriation or voluntary relocation [reubicacion voluntaria] of the Nicaraguan Resistance members and their families on 7 August 1989, its implementation must begin the following day, so that after 3 months, as established in the plan, the UN and OAS secretaries general will issue on 8 November 1989 a statement on the total fulfillment of this plan.

B. Bearing in mind that the presence of the contras and their camps constitute a threat that hinders the electoral process in Nicaragua, a situation that is worsened by the contras' repeated threats to sabotage that process, the

Honduran and Nicaraguan presidents promise to request the convening of and to jointly attend the UN Security Council, where they will present a draft resolution strongly urging all the UN member countries that have links and interests in the region to contribute to the immediate demobilization of the contras, in line with the agreed upon joint plan. They will also request that a contingent of the [UN peace-keeping forces'] blue helmets be sent to guarantee peace in the entire border region until the demobilization process is concluded.

C. Having fulfilled what is established in the previous point, the presidents of Honduras and Nicaragua promise to formally express to the ICJ our acceptance of the court's obligatory jurisdiction over any type of controversy or situation that in the future might constitute a threat to peace and security between the two states, regardless of any current reservation. This acceptance cannot be unilaterally terminated. Both parties must reach agreement on the modification or duration of the acceptance of the jurisdiction of the ICJ.

D. Once all the above is fulfilled and the respective legislative branches have ratified the unconditional acceptance, without time limits, of the jurisdiction of the ICJ, in the terms established in Point C, Nicaragua will desist from the suit filed against Honduras at the ICJ.

[Signed] Nicaraguan President Daniel Ortega Saavedra
Honduran President Jose Azcona Hoyo

Leaders Comment on Contra Plan

PA0708002689 Panama City ACAN in Spanish 2304 GMT 6 Aug 89

[Text] Tela, Honduras, 6 Aug (ACAN-EFE)—Guatemalan President Vinicio Cerezo announced today that the five Central American presidents meeting in Honduras had reached "a political agreement" to demobilize the contras, the armed anti-Sandinist opposition.

Before the beginning of the third session of the summit, which will be held tomorrow afternoon, Cerezo said: "We have already reached a political agreement (regarding the demobilization of the contras) and are now discussing the technical aspects."

The five presidents are reviewing a plan to demobilize approximately 12,000 anti-Sandinist fighters who are stationed in Honduras near the Nicaraguan border.

President Oscar Arias of Costa Rica confirmed that the plan to end the presence of the contras in Honduran territory is being discussed "technically," which means that they have already reached a political agreement. "The important thing is that the contras stop being an armed movement," Arias said, referring to the polemics that may still arise during the discussion of the "technical aspects" that are still pending.

Nicaraguan President Daniel Ortega concurred with Cerezo and Arias in a brief statement in which he confirmed that "the demobilization (of the contras) is being reviewed by the Technical Commission," which is made up of the deputy foreign ministers of the five countries.

The pending "technical" debate, which must come to an end before the summit ends tomorrow, is nevertheless very important because it involves establishing the "when" and "how" of the demobilization.

There is a big disagreement regarding the timing between the Sandinists, who would like it to be carried out before the elections in Nicaragua—which are set for February—and other countries, which want it to be "gradual" and not to end until it has been proven that the Nicaraguan elections are carried out without restrictions on the opposition.

When questioned on the subject, Ortega said: "What is important is that there be a plan with a date," and he recalled that an agreement was signed on 4 August in Managua between the government and the opposition on the upcoming elections.

Mauricio Sandoval, Salvadoran culture minister and adviser to President Alfredo Cristiani, said that "the demobilization of the contras will be approved" and confirmed that "we are talking about schedules and timetables."

Sandoval said: "On a scale of 1 to 10, I would rate the likelihood of a demobilization plan at 20." He said that the presidents are also discussing another "plan" aimed at promoting an end to the war in El Salvador, which has resulted in 70,000 victims over the last 9 years.

The summit will adjourn on 7 August, the 2d anniversary of the historic Esquipulas peace agreement, which gave impetus to a negotiated and peaceful solution to problems in Central America.

Azcona News Conference

PA0708041089 Tegucigalpa Radio America in Spanish 0203 GMT 7 Aug 89

[News conference by Honduran President Jose Azcona Hoyo and Honduran Armed Forces Commander in Chief General Humbrto Regalado Hernandez at the Villas Telamar Hotel in Tela, Honduras, with unidentified moderator and reporters—live; broadcast in progress]

[Text] [Azcona] To begin with, I have explained the matter of the contra demobilization. The presence of military advisers comes under Honduras' sovereignty, and none of the other presidents has anything to do with it. This has been approved by the Honduran Congress, which is made up of legitimate representatives of the Honduran people. This is not a topic under discussion at this summit.

[Moderator] The representative of Radio Netherlands.
[Reporter] Mr President, how far advanced are the negotiations on El Salvador?
[Azcona] There is a consensus among the presidents that a section must be included [in the agreement to be signed by the five Central American presidents] on the demobilization, dismantling—or whatever you want to call it—of the Farabundo Marti National Liberation Front [FMLN]. So, there is a consensus on including a section on this El Salvador matter in the document.

[Moderator] The reporter from Radio Tegucigalpa.
[Reporter] In your talks with the Central American presidents, what are the contras offering in exchange for this [word indistinct]? Have you discussed this, or, rather, is President Daniel Ortega prepared to withdraw the suit [filed against Honduras at the International Court of Justice] at The Hague?
[Azcona] Well, there are several important points that cannot be excluded from any settlement we reach or any document we sign at the summit. One of them is the demobilization of the contras, another is the matter of El Salvador, and yet another is the suit the Nicaraguan Government has brought against Honduras. All this has to be included as part of... [changes thought] This cannot be taken out of a document. It has to be included in the document to be signed.

[Moderator] [Words indistinct] from the U.S. ABC Television Network.
[Reporter] (?Can you tell us again) what has been decided about the contras in Honduras?
[Azcona] There are two plans to demobilize the contras, their relatives, and the refugees. We concur on most points in these two draft documents, and for this reason we believe the five presidents can reach an understanding to sign an agreement. This will be included in the final summit document. We are waiting for the foreign ministers to give us a draft agreement that establishes some sort of compatibility between the two existing drafts so that we can draw up the final document of the plan.

[Moderator] Reporter from Voz de Nicaragua.
[Reporter] The contras have said that no matter what decision the presidents reach on the demobilization, they will not accept it. Our question is: What will the Honduran president do? Will Honduras' sovereignty be respected, or do the contras have more authority in Honduras than the president himself?
[Azcona] Look, I think (?there has to be) a whole series of actions, conditions, and mechanisms to enable the demobilization to be carried out. One of the actions that must be taken is to establish a dialogue with the contras. At this time, the contras must be very worried because they may be thinking that they will be violently ousted, which Honduras cannot do in any way. Honduras' sovereignty is the exclusive concern of Hondurans. We did not create the contras. I do not want to delve into political issues either while we are holding a summit. However, the truth is that the contras are the result of something for which we are not responsible.

[Moderator] Guatemala's Emisoras Unidas correspondent.
[Reporter] Mr President, what pressure has the U.S. Government exerted to prevent the contras' gradual demobilization, as has so often been mentioned and discussed?
[Azcona] There is no pressure. I have not been under any pressure whatsoever, and proof of this is a document the Honduran Government presented for consideration by the five presidents. This document establishes the mechanisms whereby the demobilization will be carried out and calls for the formation of verification and control commissions formed by members of the UN and OAS.

Of course, the document also states the need to establish talks with the counterrevolutionaries. I believe it would be impossible to carry out a demobilization—a voluntary demobilization—without holding talks, without giving the contras a choice. This is stated in the documents signed by the presidents in El Salvador in February 1989.

[Moderator] Correspondent for Spain's EL PAIS.
[Reporter] Mr President, among the [words indistinct] you are debating, have you established a fixed deadline for the contra demobilization or is there no deadline?
[Azcona] We have not reached an agreement on deadlines. We agree on two plans pertaining to the mechanisms that will make the demobilization possible.

[Moderator] The Cable News Network correspondent.
[Reporter] [Words indistinct] to send UN peace forces, and that Honduras has not accepted this position.
[Azcona] Honduras has placed a hold on the arrival of the ONUCA [UN Forces in Central America] military observers, but I could go further. I could withdraw that hold and, going even further, request that the United Nations Security Council not only send observers but a peace force to safeguard both Honduras' and Nicaragua's interests on that border.

[Modertor] Honduras EL TIEMPO correspondent.
[Reporter] [Words indistinct] that President Bush had told the Nicaraguan Resistance Directorate that there would be no demobilization until [words indistinct]. If necessary, would the Central American presidents be capable of [words indistinct]?
[Azcona] With regard to deadlines, I will support whatever the other Central American presidents support. I have already responded to the issue of pressures.

[Moderator] The correspondent for El Salvador's Radio YSKL.

[Reporter] Mr President, how have the isthmian presidents reacted to the letter sent by the FMLN, and, specifically, what positions have been adopted by the Salvadoran and [word indistinct] presidents?

[Azcona] We received the letter, the Salvadoran president was informed, and I believe the Salvadoran president will raise no objection to talking with FMLN representatives.

[Moderator] [Words indistinct] from TELEPRENSA.

[Reporter] Mr President, what details are you able to give us on the FMLN demobilization plans?

[Azcona] The foreign ministers have also been assigned to prepare this plan, and they are going to present it so the presidents can discuss this and approve it.

[Moderator] Nicaragua's ANN correspondent.

[Reporter] Mr President, in June 1988 the contras unilaterally pulled out of the Managua talks. The dialogue had been going on for 7 months at the request of President Ortega. It is not very clear to me what type of dialogue the Honduran Government is now proposing between the Nicaraguan Government and the counterrevolution, when the contras no longer exist militarily, and politically you yourselves are studying how to demobilize them.

[Azcona] It is quite simple. We want to clarify that we are not requesting this. I hope this is clear. We are going to sign a multilateral document that states that it is the responsibility of the five Central American presidents to prepare the contra demobilization plan. In other words, it is not the Honduran Government, but the five Central American presidents who will sign this document. I believe that it is necessary that there be a dialogue because people who have a pistol or a weapon are either subdued by force or you disarm them through dialogue.

[Moderator] The Radio Sandino representative, also from Nicaragua.

[Reporter] I would like to ask you, Mr President, about the semantic problem of voluntary repatriation [repatriacion voluntaria]. The El Salvador document says repatriation, comma, demobilization or voluntary settlement in third countries. I wanted to ask if included in this is the problem of disarming the contras? Who should the arms be handed to, and so on?

[Azcona] That is all included in the plans that have already been presented. We think that the arms must be handed over to the commissions appointed by the OAS or the United Nations. The commission will be installed in Nicaragua. This plan says that the commission will be in charge of receiving the weapons, supervising the settlement of the contras, and dispensing any international aid they receive. This document is very lengthy, and all these points you raise regarding demobilization are taken care of in this document.

[Reporter] Mr President, you have not answered the question regarding the word voluntary.

[Azcona] All presidents have accepted the word voluntary because that is exactly what went into the document. It is voluntary demobilization [desmobilizacion voluntaria] and resettlement or transfer to third countries.

[Moderator] [Words indistinct] of Radio America, Tegucigalpa.

[Reporter] Thank you. I do not know if my question should be answered by the President or by the head of the Armed Forces. What was discussed by the Central American military heads at this afternoon's meeting?

[Regalado] We have not held any meetings. We only met for dinner. Nothing was discussed in detail so we have nothing on which to base our points of view.

[Reporter] [Words indistinct]

[Regalado] The Armed Forces must be given specific missions in that plan, and if there are specific missions, then we must comply with them.

[Moderator] The last question will be from the BARRICADA newspaper reporter.

[Reporter] Good evening, Mr President. On 5 May 1989, the Central American deputy foreign ministers adopted a joint plan to demobilize the contras that was to be submitted at this meeting. My question is as follows: What are the substantial differences between that plan and the plan Honduras has presented?

[Azcona] There are no big differences.

[Moderator] Thank you and good evening.

Ortega on Contra Demobilization

PA0708073289 Tegucigalpa Radio America in Spanish 0510 GMT 7 Aug 89

[News conference by Nicaraguan President Daniel Ortega with unidentified reporters at the Villas Telamar Hotel, in Tela, Honduras, on 6 August—live or recorded; broadcast in progress]

[Text] [Ortega] ...to approve the plan to demobilize the contras. In other words, the first point we discussed was the plan to demobilize the contras.

[Reporter] (?Will you establish) a deadline?

[Ortega] Yes. We must establish deadlines, a calendar must be established, and we need international supervision [12-second break in reception]

[Reporter] [Words indistinct]

[Ortega] [Words indistinct] the plan must be signed with its corresponding deadlines.

[Reporter] Would Nicaragua accept the validity of an agreement for which a deadline has not been established?

[Ortega] No. All the agreements signed by the Central American presidents have had deadlines. From the time this peace initiative began, we have worked with deadlines. How could we fail to work with deadlines in response to illegal actions by an irregular force—the contras—even though they are based in Honduran territory. [words indistinct]

[Reporter] Mr President, [words indistinct] that Honduras has called for a dialogue [10-second break in reception].

[Ortega] ...and once this is approved, the United Nations, the OAS, and the Nicaraguan Government will have to establish contact with the contras so that the plan will work, so that it can be executed.

[Reporter] What problem is hindering establishment of a date on which the plan will be initiated?

[Ortega] This has been a very prolonged effort. The technical commissions have been working day and night, and we have been supervising their work, but the task is very complicated. The commissions prepared a first draft that contains points—I would say two or even four or five points—on which a consensus was not reached. [words indistinct]

[Reporter] [Words indistinct]

[Ortega] We are going to take that document, discuss it, and clear up the points that (?could not be resolved). I cannot [words indistinct]

[Reporter] Is it likely that those five points will be...

[Ortega, interrupting] I believe that they must be solved. Nicaragua discussed the issue with President Azcona at the [words indistinct], and in the afternoon I presented the document and a proposal to solve the complaint Nicaragua has leveled against Honduras. This proposal, of course, will be guaranteed by the total execution of the contra demobilization plan. Azcona took the proposal, and he examined it. He made a counterproposal, and we are now in that process. At this time, the technical commissions should be preparing the first draft of the document devoted to El Salvador. [words indistinct]

[Reporter] What is the greatest obstacle to the achievement of an agreement?

[Ortega] I think the biggest obstacle in reaching an agreement continues to be the U.S. pressure. The United States is still exerting pressure. The statements we know about by the United States (?and) the State Deparment regarding this proposal to demobilize the contras do not represent positive or encouraging actions. They are instead discouraging reactions. The United States is exerting this pressure publicly, so I can imagine what pressure it will exert behind the scenes for the demobilization of the contras to be postponed until after the elections. The Central American presidents' decision and desire is that the plan be approved now and implemented immediately.

[Reporter] Presidents Azcona and Arias have said that the Nicaraguan Government must talk with the contras again. I understand that your government is not evading that possibility, but what type of...

[Ortega, interrupting] I am explaining that the only way this type of contact with the contras can take place is after the contra demobilization plan is approved and a deadline established. With this specific plan, the UN, OAS, Nicaraguan Government, and humanitarian organizations, which would also participate in the effort, would establish contact with the contras [words indistinct]. The plan must be executed with the necessary guarantees, and contacts with the contras will be required for its execution.

[Reporter] Would these be technical aspects involving immigration, the INSSBI [Nicaraguan Social Security and Welfare Institute, to guarantee...

[Ortega, interrupting] Operational aspects, I would say.

[Reporter] Is this demobilization voluntary or obligatory?

[Ortega] No, what is voluntary is the relocation and the repatriation. The demobilization is an obligation. That is why the original document says demobilization, comma, and then says voluntary repatriation or relocation [repatriacion o reubicacion voluntarias]. That is, nobody can be obliged to return to Nicaragua, the same way one cannot force anybody to leave for El Salvador, Guatemala, or the United States. That is what is voluntary.

[Reporter] Assuming there is an agreement tomorrow to demobilize the contras, will the peace plan's attention focus shift to El Salvador, and how can Nicaragua's experience help?

[Ortega] I do not think there are similarities between the contra situation and the FMLN [Farabundo Marti National Liberation Front] situation. There is a consensus on this point. The Salvadoran president himself has said there is no similarity. The peace plan demands action throughout Central America and in all the countries were there are armed conflicts and seeks a negotiated solution to these armed conflicts. Up to now, this process has centered on Nicaragua due to the level of confrontation basically between the United States and Nicaragua and the risk that this conflict could spread throughout Central America.

We see then that in proportion to our capacity to substantially address the contra problem—the problem brought about by the United States through the contras—in other words, if we manage to carry out contra demobilization plans, and we incorporate the topic of El Salvador and other Central American countries in a similar situation... [changes thought] Today, we saw a document in which the URNG [Guatemalan National Revolutionary Unity] of Guatemala also wants to hold talks with the Guatemalan Government.

I believe we will be acting in accordance with and in the spirit of the peace plan as soon as we tackle these points and put them on the table and ask the negotiating process to find a negotiated solution to these conflicts. Once we solve some of Nicaragua's biggest problems, then, naturally, we will be able to concentrate on tackling bigger pending problems, such as the situations in El Salvador and Guatemala. Although it may be true that the Guatemalan problems are not as big as Nicaragua's or El Salvador's, they do need to be addressed.

[Reporter] Commander, could there be a (?violent) demobilization, taking into account the fact that the contras have no desire to demobilize and have said exactly that?

[Ortega] I believe the contras will have to demobilize, and they will demobilize simply because the Central American goverments have the political resolve to ensure that they do. Once the contra demobilization plan is approved, the contras will be left with no alternative than to demobilize. It seems to me that the Honduran Government has a great responsibility to guarantee that this plan is complied with. Both the Nicaraguan Govenment and the international organizations taking part in this process are obliged to make sure that this plan is complied with within an atmosphere of normalcy and not in an atmosphere of confrontation. We do not rule out that some contras may [words indistinct]. We have organized lists to resettle them.

[Reporter] Azcona has said he will not use force to remove the contras?

[Ortega] That is so. Azcona has definitely said he will not remove the contras by force. He said this at the meeting, and I expressed my concern over this because he is the president of Honduras. The Honduran Armed Forces are there to guarantee the country's security and territorial integrity. Here we have a foreign force, the contras, and the Honduran Army is not intended just for parades. If we want an Army just for parades, then we should dissolve the Army and leave a company just for ceremonies. Armies are intended to defend the country's sovereignty and integrity, and soldiers know they may die. The soldier knows he can die quicker than [words indistinct].

Based on international commitments and the commitments in the peace agreement, the Honduran Government is obliged to guarantee that there are no insurgents in its territory. It has to use its own mechanisms and instruments to guarantee that there are no insurgents there. I think that that [words indistinct].

[Reporter] Well, President Azcona says that he cannot [words indistinct]

[Ortega] Well, what can we do? We cannot force him to do so. We will have to use political pressures to demobilize the contras. Honduras should work out an agreement among the power mechanisms they have, (?through) the Armed Forces themselves, to guarantee that the contras will be demobilized and will not continue using Honduran territory to attack Nicaragua and will not continue to create tensions between Honduras and Nicaragua, which have even resulted in the deaths of thousands of Nicaraguans and [word indistinct].

[Reporter] What can the United States do to either help or hinder, because, in the last analysis, if it stops supplying the money, well, (?they are finished)?

[Ortega] What it should do is order that the funds—that is, the humanitarian aid, the [number indistinct] millions it approved for the contras—be used in the way the law passed by Congress stipulates, and use them to demobilize the contras. This way the United Nations and the OAS could count on having sufficient funds to demobilize them The U.S. Congress said in the law that the funds would be used for this if a plan was approved to demobilize them. Therefore, the time is approaching for the United States to devote these funds to the contras' demobilization.

[Reporter] [Words indistinct] Let us suppose a plan is approved tomorrow and the United States [words indistinct] does the contrary?

[Ortega] I hope the United States does not act against this. I hope the United States respects the decision made by the Central American presidents, that it contributes to peace and contributes to the strengthening of democracy in Central America. That is what I expect of the United States.

[Reporter] Pardon us, Mr President. We arrived late. Could you tell us how the demobilization issue stands?

[Unidentified speaker] No, no. Tomorrow.

[Reporter] [Word indistinct] please.

[Ortega] I was saying the following. I repeat: I was saying the following. I said that today the Technical Commission finally finished drawing up a first draft of a plan to demobilize the contras. There are [words indistinct] that we have to discuss because the Technical Commission did not reach a consensus. Even if it had reached a consensus, the presidents have to discuss it before its final approval. So we are already passing this phase of the discussion of the first document we have in hand, which is the document on demobilization, in which a timetable is logically essential. After this document is ready, after this document is approved, the United Nations, the OAS, the Nicaraguan Government [passage indistinct] in a more calm way, without causing any major problems.

This afternoon, after working for several hours, I proposed to President Azcona that we deal with the topic of the lawsuit Nicaragua has against Honduras at the International Court of Justice. This proposal is naturally linked to the total contra demobilization from Honduran territory. This proposal has certain points we disagree on. President Azcona came back with a counterproposal, and I returned with a counter-counterproposal. We are exchanging proposals and counterproposals.

[Reporter] Can it be said the negotiations are bogged down?
[Ortega] They are not bogged down. They are... [changes thought] Every negotiation is carried out through proposals and counterproposals. On instructions from the presidents, the Technical Commission is now drafting what would constitute a peace plan regarding the situation in El Salvador. We have also learned that there is a letter from the URNG demanding a dialogue with the Guatemalan Government. I think this point can be added to the final document of this meeting in Tela.

[Reporter] Have you contacted the FMLN leaders since your last meeting with them?
[Ortega] No.

[Reporter] If specific agreements are not reached at this meeting, if no agreements are implemented, the Central American people will begin to lose confidence in you, and you will lose your credibility.
[Ortega] We must be patient. Past experience shows that the peace plan has gained ground. The credibility of all the Central American presidents is at stake. If the plan fails, all of the Central American presidents will share the responsibility. So far, however, the plan has proven a success, and at each of our meetings—in Guatemala, Costa Rica, and El Salvador—have culminated in very important agreements that have bolstered the peace plan. It would be illogical for this meeting in Honduras to yield no positive results. I am sure that something positive will result, although the entire problem will not be solved at this meeting. We are faced with a very complex situation, but I am sure that we will continue gaining ground in the fulfillment of the peace plan.

[Reporter] Will the peace plan be implemented as a result of the success of this summit?
[Ortega] The plan has gained strength in Central America and throughout the entire world. It has gained unanimous international support.

[Reporter] Commander, you disagree with voluntary demobilization. Have you offered President Azcona another alternative in this counterproposal?
[Ortega] No. Demobilization is a duty. Relocation and repatriation are voluntary because you cannot send someone to any given place against his wishes. Those who want to return to Nicaragua must do so voluntarily; those who want to go to Miami must do so voluntarily; those who wish to remain in Honduras must do so voluntarily; those who want to go to any Central American or North American country must do so voluntarily.

[Reporter] Commander, during your talks with President Azcona on bilateral issues, he admitted that the demobilization must take place soon [words indistinct].
[Ortega] We are going to discuss the first draft approved by the technical commission. My position—and I believe many people share this position—is that the plan must be implemented immediately because it is already behind schedule. The plan should have been approved as of 15 May, and it has been delayed. We must hurry so that it can be carried out immediately.

[Reporter] Commander, what will be done regarding El Salvador? Will there be a [word indistinct] for the FMLN's demobilization?
[Ortega] No. The situations are different. How can we demobilize the FMLN? What is required in El Salvador is a plan that will bring together all of El Salvador's political forces at a dialogue, particularly the FMLN. It must be an in-depth dialogue, one that would take into account a series of specific elements present in El Salvador, a dialogue without conditions, one pursued with the Central American presidents' support and with a view to ending the conflict.

[Reporter] [Words indistinct] for the FMLN to lay down its weapons?
[Ortega] We have not discussed that at all. [words indistinct]. We must ask the Salvadoran Government and FMLN to establish talks, and through talks end the war. They must seek the appropriate conditions in El Salvador to gain ground with a peace plan.

[Reporter] This has been requested on several occasions.
[Ortega] The difference is that we are currently working on a proposal that will be a little more in-depth, a little broader, and not the simple mention of [words indistinct], because whether we like it or not, the fact is that most of our efforts have focused on Nicaragua.

[Reporter] It took 2 years to demobilize the contras. What is necessary to end El Salvador's problems?
[Ortega] [Words indistinct] through dialogue, gradually discussing a series of interesting points.

[Reporter] Commander, the other presidents seem to have left you alone on the contra demobilization issue. Are they against you in this case? What is the situation?
[Ortega] [Words indistinct]. Oh no, no, no. We are going to begin discussing the proposal. I cannot tell you what the president's opinions are regarding the issue because I do not know. I do know that the presidents are determined to work for the demobilization's approval. The details of the conflict, the position each president holds, are issues we must discuss.

[Reporter] Is another summit planned?
[Ortega] Of course, we will have to continue holding a dialogue. We have to continue the process. All the Central American governments are committed to this process.

[Reporter] Will Nicaragua be the site of the next summit?
[Ortega] Of course, it would have to be Nicaragua.

[Reporter] Is there a time limit for this summit? There is real pressure concerning the time left at this summit.
[Ortega] Well, this meeting is scheduled to end tomorrow. We hope that it will.

[Reporter] What are the causes of the rebel movement in El Salvador that you think must come to an end for real peace to be achieved in that country?
[Ortega] That will have to be discussed by the Salvadorans. They are the ones who know their situation best. They are the ones who will have to discuss it.

[Reporter] [Words indistinct] El Salvador?
[Ortega] I do not have any idea. We will see.

[Reporter] Do you think the Honduran president is being pressured by the U.S. Government?
[Ortega] Well, I think the U.S. Government is actually exerting pressure. There was an (?envoy) speaking to the Central American presidents. That is actual pressure. The fact that today Mr So-and-So of the State Department made such and such statements on the demobilization of the contras is actual pressure.

[Reporter] How will the United States react to an agreement that establishes dates?
[Ortega] I don't think the United States will be very enthusiastic. I think [words indistinct] which are not in favor of the peace plan. However, I also think there are sectors in the administration which are in favor of a peaceful solution and the peace plan. Therefore, I think we might essentially be facing a divided opinion in the U.S. Administration. I would hope that President Bush would lean toward the sector that favors the peace plan, that favors the agreement adopted by the Central American presidents.

[Reporter] A U.S. State Department official here has said that Nicaragua has to become democratic.
[Ortega] This gentleman is repeating exactly what Reagan said. We are not surprised. What is important is to tell this gentleman that if the United States wants Nicaragua to democratize itself, what the United States has to do is leave Nicaragua alone.

[Reporter] Have you said that there are 6,000 political prisoners and 39 Somozist guardsmen in prison in Nicaragua?
[Ortega] No. I have not talked about 6,000 political prisoners in Nicaragua. In Nicaragua there are 5,000 people—not more than 5,000 common criminals—in jail. That is what we have, 5,000 common criminals. [Words indistinct] There are 300 prisoners who are from the (?Army) and the (?Interior Ministry), people who had been committing [words indistinct] crimes, and 39 Somozist guardsmen.

[Reporter] Are you going to negotiate all night?
[Ortega] We will see. I am willing to work as long as necessary.

Cuba

Further on Cancellation of Soviet Publications

FL0408180489 Havana Radio Rebelde Network in Spanish 1700 GMT 4 Aug 89

[Text] In today's edition, GRANMA, official organ of the Communist Party of Cuba Central Committee, published an editorial that explains in detail the causes that led to the decision to remove the authorization for the circulation of two Soviet publications in our country, the weekly MOSCOW NEWS [NOVEDADES DE MOSCU] and the monthly magazine SPUTNIK. The editorial explains that the two publications contain views and positions regarding the construction of socialism which are based on a certain interpretation of the experience that is under way in the Soviet Union.

It adds that what is published in the Soviet Union and in any other country where socialism is built has, of course, the accent that it wants to be given and the trends that are favored by the selection of the articles.

The editorial continues by emphasizing the need to strictly respect choices—choices which are solely the prerogative of each leadership and people. Thus, it infers that the policy followed allowing the entrance and circulation of foreign publications, is obviously part of these prerogatives. In our case, this policy is developed through agreements reached between Cuban state organizations and their counterparts abroad.

GRAMMA's editorial discusses in depth and in detail the considerations the leadership of our party made after analyzing for over a year the contents of some of the numerous Soviet publications circulating in Cuba, especially MOSCOW NEWS and SPUTNIK. This examination and reflective process showed that in such publications one can discover the apology of the bourgeois democracy and fascination for the American way of life and other trends which even lead to deny the guiding role of the party.

Faced with such layout of undoubtedly political and ideological nature, the leadership of our party decided to cancel the circulation in Cuba of MOSCOW NEWS and SPUTNIK.

In Cuba, almost since the triumph of the revolution, the media was handed over to the people so that the policy and ideology of the people themselves is reflected through it. In other words, in Cuba, the media, through popular decision carried out by the party, is a spokesman of the peoples' hopes and achievements, of their rectification process, and their way of being and thinking, of the way we Cubans have of constructing life.

This is why, the GRANMA editorial notes that—exerting increasing opinion pressure—numerous cadres and party members and other revolutionaries of the entire island approached the PCC Central Committee to express their opposition to various articles and other material appearing in those publications and, at the same time, expressed that they could not understand why the publications were being distributed.

This is why the party, strongly linked to the masses, to its people, is carrying out the popular will and, once again, puts at the service of all Cubans the truly democratic option of having access to the information the people themselves want.

Hungarian Paper Responds to Criticism

LD0508010189 Budapest MTI in English 1744 GMT 4 Aug 89

[Text] Havana/Budapest, August 4 (MTI)—An article of the Thursday issue of "GRANMA", the central daily of the Communist Party of Cuba, launched a sharp attack on an article in "MAGYAR NEMZET" and its contributor, dealing with the Cuban drug scandal. "GRANMA" also used the opportunity to severely criticize the Hungarian visit of U.S. President George Bush in July.

The article 'The General and Drugs—Death Sentences in Cuba' published in the July 18th issue of the Hungarian daily, on the affair of the national hero of Cuba, General Arnoldo Ochoa, and his associates, executed because of involvement in drug traffic, was based on information from the Spanish "CAMBIO-16" and the U.S. "NEWSWEEK". "GRANMA" says "MAGYAR NEMZET" 'echoed the worldwide anti-socialist campaign launched by the U.S. Administration', and the article 'expressed its thanks for the meagre economic promises George Bush made to the country'.

To a question [redacted]sman for "MAGYAR NEMZET" said the paper did not wish to enter into debate with the Cuban article, as both its tone and content exclude the possibility. "The role of a 'distributor of justice' which the daily of the Communist Party of Cuba has bad memories, and possibly not only in Hungary. Only a couple of hours before the attack the news was received that the latest issues of "MOSKOVSKIYE NOVOSTI" and "SPUTNIK" had been prohibited in Havana. So it is not only Hungarian press, but also Soviet press that induces an uncomprehensible and inexplicable irritation in the Cuban capital, the spokesman said.

The spokesman thinks it is probable that Havana is irritated about the search for democracy in socialist countries such as the Soviet Union, Poland and Hungary, and the political leaderships that calculate with the specific national conditions, and respect the freedom of peoples and human rights, and are set on the course towards a constitutional state. 'Therefore, there is nothing we can debate with "GRANMA". We consider their article nothing more than a warning that there are still countries and parties that regard only their own system as the only road to salvation and socialism,' says the "MAGYAR NEMZET" statement.

Havana Notes U.S. Meetings on Relations

FL0508141289 Havana Tele-Rebelde Network in Spanish 1300 GMT 5 Aug 89

[Text] Last Tuesday and Wednesday [1-2 August], the U.S. House of Representatives' Subcommittee for Hemispheric Affairs met to discuss U.S. policies toward Cuba during the various administrations of the last 30 years. The meetings were attended by the so-called Black Caucus of the House of Representatives. Various academics and other U.S. specialists, as well as high-level officials of the present George Bush government spoke at the sessions.

Upon initiating the debates, the president of this subcommittee, Democrat Representative George Crockett, said that this is the first time in 15 years that the House of Representatives has profoundly analyzed relations between Cuba and the United States. Just the same, he said that it cannot be denied that, during these 30 years of hostility, Washington has not reached its objective because President Castro is still leading the Cuban Government and our policies to remove him from power and end his administration have failed.

Crockett added that Cuba's isolation, as well as all attempts for military intervention, have also failed. He later concluded that the only political option that has not been attempted is to sit down with Cuba and discuss our basic differences.

Completely opposite of Crockett's advanced ideas were the statements made by Bush administration officials. Michael Cossack, assistant secretary for Inter-American Affairs, as well as Richard Schifter, assistant secretary for Human Rights and Humanitarian Affairs, both members of the Department of State, reiterated the administration's previous view that to obtain any progress in the relations with Cuba, the Cuban Government will have to submit to Washington's demands. Among these demands are: ending solidary assistance to Latin America's revolutionary movements, establishing a policy for human rights according to the United States' point of view, and modifying relations with the USSR which Washington considers damaging to its interests.

Also, Cossack, Schifter, and other officials from the U.S. Department of the Treasury, the Drug Enforcement Agency, and the Coast Guard rejected Cuba's recent proposal to cooperate with the U.S. Government in establishing mechanisms that would allow officials to deal with drug trafficking operations in the area shared by both nations.

Before these recent meetings, similar meetings were held by two other subcommittees, one in the House of Representatives and the other in the Senate, on 25-26 July to examine drug trafficking and Cuba's position on this issue. The 25-26 July meetings were attended by legislators whose records show an antagonistic position toward the Cuban revolution. In this case, drug trafficking was used to damage Cuba's prestige by relating it to these activities. During these meetings, legislators, deserters of Cuban origin, and, on behalf of the Bush administration, Assistant Secretary for for International Drug Trafficking Affairs [title as heard] Melvin Levitsky appeared.

As might be expected, the sessions of 25-26 July session became gross anti-Cuban propaganda meetings. The statements made by Assistant Secretary Levitsky were in the same vein as those made by Cossack and Schifter in August.

Communications Meeting Ends With Protocol

FL0408174989 Havana Tele-Rebelde Network in Spanish 1700 GMT 4 Aug 89

[Text] In Havana, the meeting of communications experts from CEMA [Council for Mutual Economic Assistance] member countries has ended with the signing of a protocol.

For 3 days, representatives from Bulgaria, the GDR, CSSR, Hungary, Cuba, and the USSR discussed communications developments and the possibility for cooperation with our country. With respect to this, the signed protocol calls for technological assistance in different areas, especially with regard to elements and parts. It also calls for cooperative production, technical assistance, and training in various areas.

Construction Brigade Continues Work in Nicaragua

FL0508180889 Havana Tele-Rebelde Network in Spanish 1700 GMT 5 Aug 89

[Text] Cuban and Nicaraguan Construction workers in El Bluff guarantee the delivery of sand, gravel, and part of the prefabricated materials used in the construction of 1,000 homes in Bluefields.

Thirty-three Nicaraguans work in this plant. Of these, 26 are women, and all are very productive. The Nicaraguans have readily identified themselves with the seven Cubans who work in this factory. The plant was affected by Hurricane Joan last October and thanks to everybody's efforts, the plant is still in production.

At El Bluff port, there is also a stone mill. The hurricane also caused some damage in this area [words indistinct]. Now, 20 cubic meters of stone are extracted every hour from here. This stone is used by the Jose Marti Internationalist Construction Brigade and Bluefields' Construction Ministry. The Cubans who work at El Bluff port are also in charge of receiving the ships arriving from Cuba with supplies for the contingent members.

Together, all the workers labor to rebuild this coastal city.

Machado Ventura Greets Some 300 Internationalists

FL0408160189 Havana Tele-Rebelde Network in Spanish 1100 GMT 4 Aug 89

[Text] Some 300 more internationalists, who successfully completed their missions in the People's Republic of Angola, arrived in the fatherland last night. Jose Ramon Machado Ventura, member of the Communist Party of Cuba Politburo, headed the group of officers from the FAR [Revolutionary Armed Forces] and MININT [Interior Ministry] and leaders of political and mass organizations who greeted one by one the soldiers who arrived in Havana on two successive flights.

More Internationalists Arrive

FL0508142589 Havana Tele-Rebelde Network in Spanish 1300 GMT 5 Aug 89

[Excerpts] Another contingent of internationalists has arrived in the fatherland as part of the Cuba-Angola-South Africa Accords. Over 150 combatants are in this new group, and all of them bear the Cuba-Angola Victory medal.

The internationalists were greeted at the airport by Jose Ramon Machado Ventura, member of the Communist Party of Cuba Politburo, and Brigade Generals Filiberto Libera and Alejandro Ronda on behalf of the Revolutionary Armed Forces and the Ministry of the Interior, respectively. [passage omitted]

Over 50 percent of the members of this contingent bear the Internationalist Combatant medal, first and second class, as well as the Distinguished Service medal.

Police Arrest Human Rights Commission President

PA0608174889 Madrid EFE in Spanish 1634 GMT 6 Aug 89

[Text] Havana, 6 Aug (EFE)—Cuban dissident Elizardo Sanchez Santa Cruz, president of the outlawed Cuban Human Rights and National Reconciliation Committee, was arrested today, his relatives have reported.

The transfer to the State Security headquarters of the former political prisoner took place at daybreak today, after a search of Elizardo Sanchez' residence in the Miramar neighborhood. Sanchez Santa Cruz kept files and various documents in an office he had set up in the garage, which the agents closed down and sealed. According to the mentioned sources, which thus far have received no official confirmation on this arrest, police officials notified the family that Sanchez was being taken to "Villa Marista," headquarters of the Cuban Political Police in Havana, simply to "talk."

Marcela Sanchez, sister of the detainee, and Indamiro Restan, in charge of the Human Rights Commission press office, reported that the police arrived at the Sanchez Santa Cruz residence at approximately 0500. However, Sanchez was sleeping at a friend's house, where he was arrested.

The search lasted about 3 hours, and the State Security officers who participated in the operation seized documents from Sanchez' office, including newspapers and a photograph of the dissident with U.S. Senator Edward Kennedy taken during their meeting last year in the United States.

Holguin Pays Tribute to Calixto Garcia

FL0508030589 Havana Television Service in Spanish 0000 GMT 5 Aug 89

[Text] The national ceremony marking the 150th anniversary of of Calixto Garcia's birthday was held today.

As the 150th anniversary of Calixto Garcia's birthday is marked, thousands of Holguin residents, representing the Cuban people, payed tribute to the general of the three wars for national independence. Division Generals Sixto Batista Santana and Pedro Garcia Pelaez presided over the ceremony, along with other chiefs and officers of the Revolutionary Armed Forces and the Ministry of the Interior [Minint], as well as party and state leaders. Also present at the ceremony were outstanding workers, a group representing internationalist combatants who bear the Calixto Garcia Medal of Valor, as well as combatants of the war of liberation, and relatives of martyrs.

Miguel Cano Blanco, member of the Communist Party of Cuba Central Committee and first party secretary of Holguin Province, presented a recognition plaque to the Eastern Army which was received by its chief, Division General Ramon Espinoza Martin, who is also hero of the Republic of Cuba.

[Begin Espinoza Martin recording] Today, from this square, we can say to Calixto: General, we, from the eastern provinces, are ready for combat. General, our cannons will be like your artillery pieces in the [words indistinct] action. Our soldiers will be like your mambises [Cuban rebels during the uprising against Spain]. General, your rebel people are prepared, today more than ever, to fight under any circumstances and in any place. We are ready to charge against the enemy with our immortal motto: We are either free forever or, we fight forever, until we are free. [end recording]

The military parade started off with a cavalry of 150 symbolizing the separatists who struggled for our freedom. They were followed by blocks from large tank units, and units from the DAAFAR [Antiaircraft Defense and Revolutionary Air Force], the Cuban Revolutionary Army, the Minint, and the Territorial Troops Militia—all from the Eastern Army.

Death Toll Rises To 33 in Train Accident
FL0508014689 Havana Television Service in Spanish 0000 GMT 5 Aug 89

[Excerpts] Thirty-three dead, among them four children, and 117 injured is the result of the tragic railroad accident occurred this morning in Colon Municipality, Matanzas Province, according to a report issued at 1900 [2300 GMT] this evening by the Provincial Defense Council. [passage omitted]

The unfortunate accident occurred when, travelling at a high speed, the Havana-Sancti Spiritus and the Camaguey-Havana trains collided head-on collision, which resulted in the destruction of both train engines and four passenger cars.

Right after the tragic accident, government and party leaders were at the scene. The officials were headed by Luis Alvarez de la Nuez, alternate member of the Communist Party of Cuba Central Committee Politburo and first secretary of the party's Provincial Committee in Matanzas.

The causes of the collision are being investigated by a commission made up of specialists from the MININT [Ministry of the Interior], MINTRANS [Ministry of Transportation, and railroad security.

Antigua and Barbuda

Ruling Labour Party Candidates Nominated
FL0508112289 Bridgetown CANA in English 2311 GMT 4 Aug 89

[Text] St. Johns Antigua, Aug 4, CANA—The ruling Antigua Labour Party's (ALP) seven candidates were on Friday nominated unopposed for the August 17 by-elections and were therefore expected to be declared winners under the island's constitution.

The opposition United National Democratic Party (UNDP) and the left-wing Antigua Caribbean Liberation Movement [ACLM], as expected, did not nominate candidates.

The UNDP has said it would not contest the poll because certain electoral reforms it had called for would not be in place while the ACLM has cited financial reasons for its decision not to participate. The ALP sponsored the same seven candidates whose seats were challenged after the controversial March 9 elections by members of the UNDP.

Those nominated by Vere Bird Jr—St. Johns Rural South ; Hugh Marshall—St. Marys South; Molwyn Joseph—St. Marys North; Adolphous Freeland—St. George; Henderson Simon—St. Johns City West; Hilroy Humphreys—All Saints West and Eustace Cochrane—All Saints East and St. Luke.

Simon's election was ruled null and void by the High Court because of a number of irregularites, including the absence of ballot papers for several hours on polling day. The other six resigned to avoid similar costly court cases.

The chief elections officer was expected to issue a statement on Friday night.

Ruling Party Wins Election Without Vote
FL0508163489 Bridgetown CANA in English 1625 GMT 5 Aug 89

[Text] St. Johns, Antigua, Aug 5, CANA—Antigua and Barbuda's ruling party has regained seven parliamentary seats, following the oppositions failure to nominate candidates for by-elections August 17.

New supervisor of elections, Alvin Emmanuel, on Friday night confirmed the re-election of the mbers of the ruling Antigua Labour Party (ALP) to the house of representatives after the two main opposition parties ignored the nomination day deadline.

"There will not be the holding of an election. These gentlemen have now been elected, so there will not be a poll on August 17," Emmanuel said after reading the names of the seven members before the press at his office in St. Johns.

The ALP candidates are : Vere Bird Jr—St. Johns Rural South; Aldolphous Freeland—St. George; Henderson Simon—ST. Johns City West; Hilroy Humphreys—All Saints West; Eustace Cochrane—All Saints East and St. Luke; Mowlyn Joseph—St. Marys North; and Hugh Marshall—St. Marys South.

The seats were challenged in court by unsuccessful members of the United National Democratic Party (UNDP). The seven constituencies were hit by irregularities in a controversial March 9 general elections. The poll was marred by a shortage of ballot papers and a late start. Voting hours were extended for three hours to make up for the time loss.

The high court had nullified the election in the St. Johns City West constituency and the siz other ALP parliamentarians decided to resign and face a by-election rather than go through with the other courts hearing.

The leftist Antigua Caribbean Liberation Movement, which took part in the general election, cited financial reasons for its non-participation this time.

The UNDP said it was not going to contest the by-elections until there were electoral reforms. However leader of the party, surgeon Dr. Ivor Heath, disclosed that it will be still pursuing the election petitions.

But the supervisor of elections sees no need for other court cases.

"This is a completely new election and since there was no contest there is no need in my view," he said. "Of course, I'm not a lawyer, going to the courts. Thre is not an issue to be decided. The issue now has been decided by the electorate of those constituencies and therefore it doesn't appear to me to be the need for any court proceedings."

He added, "In my view the object of the election petition was to seek new elections in those constituencies. Well, without going to the court the persons who were elected have voluntarily resigned and this to my mind satisfies the requirement or the intention of the party who filed the petitions because they wanted those seats declared null and void, I would imagine..."

Dominican Republic

Privately-Owned Clinic Doctors Support Strike

FL0408163089 Bonaire Trans World Radio in English 1130 GMT 4 Aug 89

[Text] In the Dominican Republic, doctors of several privately-owned clinics are supporting the nearly 1-month-old strike by doctors in public hospitals. The private clinic doctors began a 24-hour strike Wednesday [2 August] and more private doctors in other towns are planning to join the movement during the coming weeks. Doctors in public hospitals went on strike last month demanding a 100 percent wage increase.

Haiti

Article 291 of Constitution To Be Upheld

FL0408205889 Port-au-Prince Radio Metropole in French 1045 GMT 4 Aug 89

[Text] We wish to correct a report broadcast yesterday over our evening newscast, Soir Actualites. Our correspondent reported that four members of the Provisional Electoral Council [CEP], who were touring the Department of the Center, in Mirebalais, had announced that Article 291 of the Constitution would not be strictly respected in the future elections. [Article 291 says that zealous participants of the Duvalier regime may not run for public office for 10 years]

This morning, we wish to correct this report. The members of the CEP never made such a statement in the Department of the Center.

Yesterday afternoon, we contacted Rony Durand, who is the university's representative on the CEP but he was unable to give us any information on this matter. This morning, however, we did contact [CEP President] Jean Gerard Pierre, representative of the human rights organizations on the CEP. Mr Pierre categorically denied the report.

Thus, the report broadcast yesterday is totally erroneous. According to Jean Gilbert [name as heard], someone at yesterday's meeting in Mirebalais had indeed brought up the matter. However, the matter was not brought up by the members of the CEP and they never made the statement in question.

Therefore, be reassured. Article 291 of the Constitution does indeed remain in force, while awaiting, of course, the electoral calendar.

I quickly repeat: This is a correction to a news report given yesterday evening over Radio Metropole by Mirebalais correspondent Eliezer Paul Smile regarding a possible withdrawing of Article 291 of the constitution. It was reported that Article 291 would not be respected in the coming elections. We repeat: This information was totally wrong.

Costa Rica

Reportage on Pre-Summit Arias Activities

Supports Early Demobilization

PA0408133389 Panama City ACAN in Spanish 2308 GMT 3 Aug 89

[Text] San Jose, 3 Jul (ACAN-EFE)—Costa Rican President Oscar Arias today said the demobilization of the contras should start prior to February's elections in Nicaragua.

In a news conference, Arias said although the demobilization and repatriation of the anti-Sandinists "must be voluntary," this first step in the process cannot wait until the elections are held. The president said the contras will be "the main issue" at the Central American summit in Honduras from 5 to 7 August.

Arias also opposed any "linkage" between the demobilization of the contras and the disbandment of the Farabundo Marti National Liberation Front [FMLN], as proposed by Salvadoran President Alfredo Cristiani. Arias, however, feels the summit should also review the Salvadoran conflict, albeit separately from the issue of the contras.

Asked about alleged U.S. pressure to establish a linkage between the FMLN and the contras, Arias said: "As far as I am concerned, there has not been any such pressure."

Arias said that, as in the four previous Central American summits, the five presidents will discuss the "useless war" in El Salvador, which he said "cannot last 5 more years." According to international organizations, more than 70,000 people have been killed in the 9-year Salvadoran conflict.

Arias announced that he intends to meet with FMLN leaders tomorrow to learn their views on the situation in El Salvador.

As for the fate of the contras, Arias said if the combatants and their relatives refuse to return to Nicaragua, they should be accepted "by other countries in the hemisphere," because "Costa Rica has already been too generous." Approximately 13,000 contras remain in Honduras, where they have been based since the rebel force was formed in 1981.

Arias expressed the hope that the region's foreign ministers, who conclude their meeting in Guatemala today, can reach specific agreements on the demobilization of the anti-Sandinists to "ensure" a successful summit.

Comments on Elections

PA0408214689 San Jose Radio Reloj in Spanish 1200 GMT 4 Aug 89

[Text] President Oscar Arias Sanchez has said the impunity of those who try to lie through electoral farces and fraud can no longer be tolerated, thus reminding Nicaragua and Panama that both nations still have to solve the basic problem of electoral freedom. Arias made this statement during the inaugural ceremony of the 4th conference of the Association of Electoral Institutions of Central American and the Caribbean. Delegates from 11 countries and representatives from international organizations linked to electoral matters are attending this forum.

The Nicaraguan and Panamanian governments have both made commitments for democratization which should be fulfilled. As the moral guarantors of this commitment, Costa Ricans are zealously observing the events, the Costa Rican President said. The president added that Costa Rica will not meddle in the Nicaraguan electoral process or in the negotiations being conducted in Panama to restore to the Panamanian people their right to have a democratic government. However, we will use all of our knowledge and undeniable moral authority to render testimony to the world about the electoral events that will occur in those two nations, President Arias said.

The 3-day 4th Conference of the Association of Electoral Organizations is sponsored by the Center for Electoral Counseling and Promotion. The objective of this kind of forum is to strengthen democratic processes through elections in Central American and Caribbean countries. Democracy and human rights, democratic participation, and the democratic processes are among the issues being discussed. Electoral experiences in the 1980's and the challenges for the upcoming decade will also be analyzed at this forum.

Meets With Rebel Leaders

PA0408230189 Panama City ACAN in Spanish 2113 GMT 4 Aug 89

[Text] San Jose, 4 Aug (ACAN-EFE)—President Oscar Arias met today with a delegation of Salvadoran guerrilla organizations prior to the fifth Central American summit, which will be held between 5 and 7 August in the city of Tela, Honduras.

Arias met with Commanders Ana Guadalupe Martinez and Mario Lopez, of the Farabundo Marti National Liberation Front (FMLN), and analyzed the Salvadoran situation and the possibilities of achieving peace through a dialogue in the country.

The president had previously told ACAN-EFE about his meeting with the rebels, whom he was seeking out in several countries in order to invite them to a meeting before the summit.

Arias said that the issue of the violence in El Salvador "will be brought up" during the meeting of the five presidents, because "those people deserve peace."

He added: The Salvadorans cannot possibly continue in a fratricidal war for 5 more years—during President Alfredo Cristiani's administration.

More on Meeting With Rebels

PA0508042489 San Jose Radio Reloj in Spanish 0120 GMT 5 Aug 89

[Text] Farabundo Marti National Liberation Front [FMLN] leader Ana Guadalupe Martinez has said if the Salvadoran Army has been unable to make us surrender in 9 years of war, how can one believe a decree issued by five presidents will accomplish this. Invited by Costa Rican President Oscar Arias, Salvadoran rebel and political leaders Martinez and Mario Lopez arrived in San Jose today from Mexico to talk with Arias on the outlook for the regional peace process. The two said the FMLN has always been willing to negotiate with the Salvadoran Government, provided the proper conditions exist, because violence and public terror prevail in their country.

The Salvadoran guerrillas intend to hamper every government action for which, they said, they rely on military supplies from abroad and their own arms-manufacturing facilities. They also said the rebels will only lay down their weapons under their own terms. They said, however, that the contras' demobilization is necessary to achieve peace in the region. The Salvadoran guerrillas expressed their hope that the war will not last much longer. They failed to mention, however, their contribution toward ending the war and achieving peace, other than proposing a negotiated solution of the conflict.

The guerrilla leaders reported to Arias on the results of several meetings with Salvadoran political parties. Lopez and Martinez said these meetings were held in Mexico City and are part of the efforts to find a negotiated solution to the Salvadoran conflict. They denied having a proposal for Arias to present at the Central American presidential summit. They said they came to San Jose at Arias' invitation. Martinez said no meeting between the Salvadoran guerrillas' high command and Arias has been planned for the time being. A meeting of the top leaders could only be considered if there is a reason that justifies their traveling abroad.

Arias has been saying he will try to meet with the military leaders of the Salvadoran guerrillas to ask them to resume a dialogue with Salvadoran President Alfredo Cristiani for which he offers Costa Rican territory. The rebel leaders also said they expect any accords reached at the presidential summit to be complied with. Lopez thinks the demobilization of the contras is an important step because the presidents are concerned over this. They also said the guerrillas will not accept any proposal that includes the FMLN's surrender.

Says Castro Living in Past

PA0508130389 Hamburg DPA in Spanish 2259 GMT 5 Aug 89

[Text] San Jose, 4 Aug (DPA)—Costa Rican President Oscar Arias said that Fidel Castro's watch stopped 30 years ago." [quotation mark as received] Arias said this to newswoman Norma Ruiz, news director of the Costa Rican station Radio Monumental.

The Costa Rican president added: "Fidel Castro has become stagnated. He is still living in 1959, while everything else in the world has changed." Arias said that "While Bush and Gorbachev are reaching agreements, while Bush goes to Poland and to Hungary, and Gorbachev visits West Germany, Mr Castro is staying his course as if nothing were happening in the world."

Arias pointed out that "Castro continues to support guerrilla groups, including the Farabundo Marti National Liberation Front in El Salvador. He is the same old person he was 30 years ago." Arias added: "The cold war is over, but Castro wants it to continue."

Arias insisted that "times have changed; and now one sees Bush arriving and being acclaimed in Poland and in Hungary, but Castro insists on acting in his usual way." Arias confessed: "I have told all this to Castro in person, but there is no way to make him understand."

U.S. Couple Believed Kidnapped in Tibas 1 Aug

PA0408195789 San Jose Radio Impacto in Spanish 1830 GMT 4 Aug 89

[Text] The Judicial Police are conducting a full investigation of two incidents that allegedly took place at dawn and later in the morning on 1 August. As for the first case, the OIJ [Judicial Investigation Agency] received reports that a U.S. couple, who reside in Tibas, might have been kidnapped. Reports state that two suspicious men were seen violently forcing the couple into a car.

The second case pertains to an alleged robbery at a well-known jewelry store near the Guadalupe Shopping Center. The OIJ officers refrained from revealing any further details on the two cases until later today, while they await the results of their investigation.

El Salvador

Leftist Leader Attacks Cristiani Policy

PA0508003089 Panama City ACAN in Spanish 1836 GMT 4 Aug 89

[Excerpts] Panama City, 4 Aug (ACAN-EFE)—Guillermo Ungo, the leader of the Salvadoran left, has accused Salvadoran President Alfredo Cristiani of "hindering" the Central American peace plan and the summit that begins 5 August in Honduras, when he will try to get the Salvadoran guerrillas dismantled at the same time as the Nicaraguan "contras."

Ungo, who met this week in Mexico with two guerrilla leaders, also told ACAN-EFE in Panama City that there are currently "good" possibilities of changing stands in El Salvador so there can be a dialogue between the rebels and the government that will put an end to a decade of war.

The Salvadoran politician, president of a legal coalition of leftist parties, advised that Cristiani has not shown any willingness to comply with the peace agreements signed 2 years ago by the rulers of the area and that he is now presenting his proposal in view of the "advance" made by Nicaragua in complying with these commitments. [passage omitted]

The demobilization of the Salvadoran guerrillas "does not depend on foreign factors, but on an overall agreement that is in the hands of Cristiani and of the Army." Ungo pointed out that the rebels in his country operate in Salvadoran territory, as opposed to the anti-Sandinists who have their camps in Honduras.

Ungo, who was interviewed by ACAN-EFE in Panama City, said that when Cristiani proposed his plan, he only sought to "hinder" the peace process by placing conditions that he is sure will be rejected by other presidents and will prevent Nicaragua from continuing to comply with its commitments.

"There is an agreement signed at Costa del Sol (where the last presidential summit was held in El Salvador) that has never been complied with, and now Cristiani takes on the role of the bad guy, claiming there is a similarity between the contras and the FMLN [Farabundo Marti National Liberation Front]. This is uncalled for, and the purpose behind this is that Nicaragua will not make any advances in complying with the peace plan," he insisted. [passage omitted]

According to Ungo, Cristiani began to insist on the demobilization of the FMLN following a Central American tour—with the exception of Nicaragua—by Bernard Aronson, U.S. assistant secretary of state for inter-American affairs, around mid-July.

"Aronson's trip yielded the best results in El Salvador," Ungo told ACAN-EFE.

The leftist leader also said that after Cristiani was inaugurated on 1 June, political opportunities had been reduced in El Salvador. Evidence of this is a draft "fascist " reform to the penal legislation and an increase in the repression against the people's organizations.

These measures, together with a strong economic adjustment, "are generating more agitation, and the possibilities of a dialogue are getting slimmer," he said.

However, Ungo says, this is also generating contradictions within the government of the Nationalist Republican Alliance (ARENA), and "it is becoming more costly to maintain this policy." This, he feels, is opening new political opportunities for the dialogue.

Ungo said that this week's meeting of delegates from the Democratic Convergence—of which he is the president—and from the Christian Democratic Party and the National Conciliation Party in Mexico with guerrilla commanders Joaquin Villalobos and Ferman Cienfuegos was directed at using these "contradictions" to open new possibilities for dialogue.

"The opportunities seem to be lessening. On the other hand, there is a consensus among the opposition, joint initiatives exist, and there are two more proposals for a dialogue—one from the FMLN and one from Cristiani—and we are trying to bring them together," he added.

The politician recalled that the guerrilla's offer presented late in January continues in effect. In that offer, the FMLN presented basic points for the negotiations that included the reduction and improvement of the Armed Forces. Cristiani's proposal, Ungo told ACAN-EFE, is "more of a procedural proposal."

Ungo emphasized that "the political parties now have more possibilities of conversing, and we want to converse to find out where that willingness for a dialogue is hiding."

Reportage of Rebel Actions, Radio Broadcasts

Attack on National Guard Post

PA0608131189 San Salvador Canal Doce Television in Spanish 0300 GMT 5 Aug 89

[Text] The National Guard post in Santa Tecla was attacked this morning by urban guerrilla commandos, but no casualties were sustained as a result of the attack, according to military sources. The sources added that the attack was quickly countered by the national guardsmen.

Farabundo Marti National Liberation Front [FMLN] urban commandos sent a note to our station claiming responsibility for the attack on the Santa Tecla National Guard post, in which the FMLN claimed to have inflicted several casualties.

The Army has reported that the FMLN sustained 11 killed and 15 wounded during recent clashes in the eastern zone of the country. According to a military report issued today by COPREFA, the clashes occurred in San Gerardo Jurisdiction, San Miguel Department, and in Concepcion Batres, Usulutan Department.

The military report also indicates that a peasant was wounded by a mine in Cabanas Department, and two peasants were kidnapped by guerrilla forces in Guadalupe Jurisdiction, San Vicente Department.

FMLN Claims Downing Helicopter

PA0408204889

[Editorial Report] (Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 2300 GMT on 3 August broadcasts approximately 20 minutes of battle reports, including reports on the downing of an Air Force helicopter, clashes, sabotage operations, and ambushes carried out by the Farabundo Marti National Liberation Front, FMLN, units between 1 and 3 August.

The first report from the Central Modesto Ramirez Front states that an FMLN antiaircraft unit downed an Air Force helicopter. The report states: "Attention, local and foreign press: We confirm the downing of a UH-1N helicopter gunship" by our units, at 1115 on 3 August in Suchitoto City, Guazapa Hill. The reports state that the downing of the helicopter is part of various FMLN attacks against Military Detachment No. 5 troops and the Air Force. The report concludes by stating that these attacks are part of the "All Against the Fascist ARENA [Nationalist Republican Alliance]" national maneuver.

The second report from the Paracentral Anastacio Aquino Front says that FMLN guerrilla units ambushed a military truck transporting 25 soldiers of the 5th Infantry Brigade near San Sebastian, San Vicente Department with Manuel Jose Arce mines at 0700 on 2 August, killing 8 soldiers and wounding 12. The station reports: "The vehicle was completely destroyed."

The next report includes a war bulletin from the Guazapa area and states that FMLN guerrillas blocked roads in the Guazapa area near San Pedro and clashed with a Trueno Battalion company of Military Detachment No. 5 on 3 August, killing two soldiers and wounding five others. The report adds that these clashes preceded the downing of the helicopter in the Guazapa area.

Another report claims that FMLN urban commandos attacked the San Marcos Civil Defense Headquarters in San Salvador with LAW rockets and rifle fire at 1905 on 2 August, damaging the facilities. "We do not yet know the number of casualties inflicted on the enemy."

The penultimate report from the eastern Francisco Sanchez Front says that FMLN guerrillas clashed with Atonal Battalion troops near San Agustin City at 1300 GMT, inflicting four casualties. The final report states that FMLN units clashed with Lenca Battalion units at 0530 on 2 August, killing two soldiers and wounding six others.

Rebels Explain Civilian Incidents

PA0608125989 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 6 Aug 89

[Communique issued by the Farabundo Marti National Liberation Front (FMLN) from the FMLN's Francisco Sanchez Southwestern Front command post on 5 August]

[Text] We have learned through Radio Cadena YSU of a deplorable incident that occurred on 2 August at the Coastal Highway near Jiquilisco. The report indicates that our comrades placed a vehicle belonging to the local media across the highway and held two journalists. The report adds that several civilians were also held and that a Green Cross ambulance was not allowed to pass. All these actions occurred at the time of a clash that resulted in the deaths of three National Guardsmen.

First of all, we apologize to the journalists. We believe it was a mistake to use a press vehicle to set up a road block. The incident has been reviewed with the person in charge of the operation, and he clearly stated that no one was given specific instructions to use the news media's vehicles. He is sure that the use of the vehicle occurred within the context of the tension that prevails in a combat situation.

Referring to the other events, we want to clearly state:

1. The goal of the operation was to talk to the bus passengers.

2. Our comrades gave instructions to the civilian population on what to do in case of an eventual clash.

3. The clash occurred all of a sudden, and our comrades took all the precautions to protect the civilian population. This explains why all the people were told to lie down while the clash was under way. It is appropriate to mention that no civilian was wounded despite the heavy gunfire.

4. Our comrades held the members of the media to protect them and to avoid an incident like the one that occurred on 19 March, when a Netherlands reporter was killed by the Army.

5. The ambulance could not go through due to the road block. The Green Cross members were told to take the other road that begins at the Texaco station in Jiquilisco. Our intention was to help the ambulance reach its destination via a safe route.

6. We reassert that our fighters have clear instructions not to hinder the work of the news media or the rescue corps' humanitarian efforts and to protect the lives of civilians in all types of activities that are carried out by our forces. Command Post FMLN Francisco Sanchez Southwestern Front 5 August 1988

Ministry Promotes Three Officers to Colonel

PA0408142889 San Salvador EL MUNDO in Spanish 2 Aug 89 p 32

[Excerpt] The promotion of three lieutenant colonels to colonel was announced in the Defense Ministry's order of the day for 31 July. The promoted officers are: Julio Cesar Grijalva, currently commander of the 3rd Military Detachment in La Union; Roberto Gonzalez Aguilar, currently on the staff of the vice minister of public security; and Ricardo Salvador Murcia Recinos, military attache in Mexico.

A spokesman for the Joint Chiefs of Staff said the order of the day also includes the promotion of 7 lieutenants to captain and of 50 second lieutenants to lieutenant. The spokesman described these promotions as routine. [passage omitted]

Three Soldiers' Corpses Found in Ilobasco

PA0608140489 San Salvador Canal Doce Television in Spanish 0300 GMT 5 Aug 89

[Excerpt] The 7th Justice of Peace of the Isidro Menendez Judicial Complex in the capital has had to prepare four coroner's reports in a 24-hour period. According to Judge Abeldana de Guerrero, at 0730 on 3 August she had to issue coroner's reports for three Armed Forces members, specifically of the 5th Military Detachment in Cojutepeque and the Cavalry Regiment. The soldiers died during clashes that occurred in Ilobasco.

[Begin recording] [Guerrero] We issued three coroner's reports at the Armed Forces' funeral house, for Juan Antonio Carpio Vasquez, Jose Alonso Aguidion Ayala, and Hector Antonio Serrano Guardado. The corpses were brought from Suchitoto.

[Reporter] What was the cause of their deaths?
[Guerrero] One was...[changes thought] They all died of bullet wounds. Two were shot in the chest area—one of them died of hemorrhagic shock—and the other one was shot in the head.

[Reporter] That is all?
[Guerrero] That is all. We have booked five prisoners; they were charged with injuring other persons. We have had a lot of work. [passage omitted] [end recording]

Guatemala

Police Report Another PDC Leader Killed

PA0508000589 Panama City ACAN in Spanish 2300 GMT 4 Aug 89

[Text] Guatemala City, 4 Aug (ACAN-EFE)— Police reported today that Rene Lopez, an immigration official and leader of the ruling Christian Democratic Party [PDC], was shot to death after he was kidnapped by unidentified men.

The authorities disclosed today that Lopez, who worked at the international airport's Immigration Department, was kidnapped on 2 August and his body was found in southern Guatemala City today.

Lopez' death is one more PDC leader murdered. Danilo Barillas, another PDC leader, was killed on 1 August, apparently by extreme rightist groups.

So far, it is not known if the two killings are connected because the authorities have remained silent about this case which was not disclosed until today.

Unofficial sources noted that it is believed that the two leaders knew too many details and possibly names of people involved in cocaine trafficking.

However, Lopez' relatives rejected that his murder had any connection with the drug trafficking discovered at the airport this week.

Security forces found 22 kg of cocaine in a suitcase owned by Jose Fernando Minro Navas, an official of the Presidency's Administrative Department, on 1 August. Minro was captured and turned over to a court.

Police sources stated that they have continued the investigations to get more details of the two killings but they neither denied nor confirmed any connection of suspected drug traffickers with the murder of the PDC leaders.

Labor Court Rules Teachers Strike Illegal

PA0508043189 Panama City ACAN in Spanish 2255 GMT 4 Aug 89

[Text] Guatemala City, 4 Aug (ACAN-EFE)—A Guatemalan court today ruled that the teacher's 9-week strike is illegal and authorized the government to fire the teachers who refuse to go back to work.

The Second Labor Court of Appeals, responsible for handling the Education Ministry's case against the teachers, ruled the strike "illegal."

The court gave the teachers until 8 August to go back to work. The government will then have 20 days, beginning tomorrow, to cancel its contracts with those teachers who refuse to return to work. The court also ruled that the government will not be held responsible for the contracts it is forced to cancel.

Likewise, and in accordance with the Labor Law, the court has ordered the police to guarantee, by all means, the continuity of the education process.

More than 38,000 teachers began a strike 9 weeks ago to demand better wages; however, Guatemalan President Vinicio Cerezo has remained firm in his decision not to grant wage increases in 1989. According to Cerezo, the government does not have money for wage increases and he has already fired approximately 600 supervisors and principals.

Honduras

Reactions, Discussions of Events at Tela Summit

Azcona Criticizes Nicaraguan Accord

PA0508135689 Tegucigalpa Radio America in Spanish 1320 GMT 5 Aug 89

[Report by Sabino Villalobos]

[Text] I would like to report reaction in Telas, Honduras, to the agreement signed by Nicaraguan President Daniel Ortega and the Nicaraguan political parties. President Jose Azcona does not consider the Nicaraguan internal agreement very important because not all the opposition sectors were included in the agreement. The Nicaraguan Resistance—the contras—were not included, and therefore the agreement cannot be considered sweeping enough, because it does not include all Nicaraguan political forces, Azcona asserted.

Armed Forces Commander Comments

PA0508190589 Tegucigalpa Radio America in Spanish 1745 GMT 5 Aug 89

[Interview with General Humberto Regalado Hernandez, commander of the Armed Forces, by unidentified reporters in Tela; live—broadcast in progress]

[Text] [Regalado] ...stages. They [not further identified] have an interesting system. They leave the Nicaraguan border and leave weapons in a certain area. Then another group arrives and picks up the weapons. This is done in stages.

[Reporter] You are supposedly accusing the Nicaraguan Army of being...
[Regalado, interrupting] I am accusing no one. We are speaking of weapons, not of governments. We are speaking of weapons and of what the national and international media has reported.

[Reporter] General Regalado, excuse me. Have you followed up on those investigations? Is there any chance that there may be other arms caches in the country?
[Regalado] We are working on that. We have received some reports from the Honduran people, who have been helping us greatly. Without their information, it would be difficult to conduct those investigations. We are conducting investigations throughout the country.

[Reporter] Is there a possibility that the arms cache may belong to Honduran guerrillas or to other domestic subversive movements?
[Regalado] That possibility exists, but, as I told my colleague here, in view of the Salvadoran nationality of the people who were caught, it is almost certain that the weapons were meant for El Salvador.

[Reporter] Why have you not reached an agreement with other Central American military leaders to control this situation?
[Regalado] We do coordinate some plans. We exchange military intelligence information with other Central American countries. We are informed of what is going on in all the Central Amnerican countries.

[Reporter] Has it been confirmed that the weapons were meant for the FMLN [Farabundo Marti National Liberation Front], the ones that were confiscated in Cedros municipality?
[Regalado] That is the information we have up to now.

[Reporter] What is your opinion on the summit? There is talk of security issues. It was reported that you had drafted a plan to demobilize the contras. Is this true?
[Regalado] I have not drafted any plan. We discussed a plan at the National Security Council, and I believe that this plan will be presented by President Azcona to his Central American colleagues.

[Reporter] There are some controversial issues, such as the Army's role in getting the contras out if there is no demobilization. Is that option being considered?
[Regalado] I do not know. We discussed a plan which assigns different duties to the different government institutions. Once the plan is approved, then the Armed Forces will be informed of their mission.

[Reporter] General Regalado, it was originally reported that the main issue to be discussed at this Central American summit is the demobilization of the Nicaraguan contras currently located in Honduras. Following the foreign ministers meeting, we see that nine points will be discussed, including the environment, the foreign debt, and so on. Is this not a way of diverting attention away from the demobilization of the contras?
[Regalado] No, I believe that this is a way of solving the problem from a broader perspective. I believe that the contra demobilization is a problem that pertains only to a specific country. The other countries will see what other issues of importance for the Central American region can be taken care of at the summit. You speak of 9 points. You may recall that 9 points were still pending following the meeting in Guatemala. Other points may be included.

Exiles Reiterate Desire To Return

PA0408232589 Tegucigalpa EL HERALDO in Spanish 4 Aug 89 p 25

[Paid advertisement]

[Text]The Nicaraguan exiles hereby make this known to the public.

The Sandinist National Liberation Front [FSLN] has betrayed the democratic ideals of the 1979 revolution by establishing in Nicaragua a totalitarian regime characterized by the systematic, flagrant violation of the human rights of the Nicaraguan people.

As the result of the FSLN's policy, more than 800,000 Nicaraguans are scattered throughout Central America, the United States, Canada, Australia, and other countries. The great majority of them are refugees or stay in those countries illegally.

In addition, more than 250,000 people have been arbitrarily dislodged from their birthplaces in Nicaragua and confined to real concentration camps.

We, the Nicaraguan exiles, have been paying a high price for our freedom. We have been estranged from our homeland and alienated from our traditions, customs, and relatives.

We Nicaraguans had a glimmer of hope about returning to our homeland when the Central American presidents signed the Esquipulas II peace plan on 7 August 1987.

Today, a short time prior to the 4th presidential summit to be held in Tela, Honduras, we reiterate to the international public our desire to return to Nicaragua.

For these reasons, we request that the four Central American democratic presidents do the following.

1. Demand that Daniel Ortega comply with all the commitments signed in the peace accords.

2. Demand that Daniel Ortega immediately create the essential conditions for the country's democratization, establish a general amnesty, hold an electoral process in which individual and collective political rights are respected, ensure the purity of the February 1990 elections, and abolish the obligatory military service to end the indiscriminate sacrifice of our youth.

3. Demand that Daniel Ortega restore human rights fully so we the exiles can return to our homeland free from fear and lead normal lives.

4. Finally, we request the Honduran, Salvadoran, Guatemalan, and Costa Rican presidents to certify the existence of the conditions under which our rights and guarantees will be respected in Nicaragua. Tegucigalpa, 4 August 1989. [advertisement is unsigned]

Human Rights Official, Colonel Discuss Violations

PA0408230489 Tegucigalpa Cadena Audio Video in Spanish 1200 GMT 3 Aug 89

[Report by Miriam Mercado—passages within quotation marks recorded]

[Excerpts] Ramon Custodio Lopez, president of the Human Rights Defense Committee [CODEH] has predicted that the Tela summit will be chaotic because, in his opinion, the Honduran and Salvadoran Governments will interfere. The CODEH president also revealed that the Battalion 3-16's new name is the Counterinsurgency Battalion and its commander is Colonel Alberto Andino Benitez. Custodio said this during the news conference he held 2 August.

[Custodio] "We have called this news conference because we want to warn the people, the foreign journalists who are here, and the other Central American presidents about the atmosphere of insecurity which afflicts the Honduran people."

"First of all, we will mention the assassinations which occurred in July at San Pedro Sula: Eduardo Herrera, Salomon Vallecillo, and Dr Ramon Roberto Garay. We believe that the assassinations were perpetrated by professionals so we would like a judge to call the new commander of Battalion 3-16—now called Counterinsurgency Battalion—Colonel Alberto Andino Benitez to testify. There are reports that a member of the 3-16 Battalion contacted Salomon Vallecillo prior to his death."

"Likewise, I want to mention how the citizenry is exposed to police brutality. There is the case of Justo Pastor Escobar Silva, who was assassinated by a FUSEP [Public Security Forces] agent who is now serving a prison sentence."

"Furthermore, people feel insecure in the country, and I will mention a case which occurred 3 weeks ago. Dr Marco Antonio Bogran was taken with all his household employees to the DNI [Department of National Investigation] and held from 0800 to 1500. He was not allowed to call his lawyer or his relatives, and he was held in isolation. He was naturally afraid the worst would happen. No one explained anything until the end. He was told that someone had reportedly made a subversive phone call from his house. This means that his telephone is being illegally tapped because no one here has the right to control anyone's calls. The military men in charge of HONDUTEL [Honduran Telecommunications Enterprise] illegally abuse their power when they hear and control telephone calls because this should be handled by the civilian authorities." [passage omitted]

Colonel Manuel Enrique Suarez Benavides, chief of the Armed Forces Public Relations Office, has reacted to Custodio Lopez' statement.

[Col Suarez] "I have heard part of Ramon Custodio's news conference on CODEH foreign policy, and we observed his animosity toward the contras and his affection for the Farabundo Marti National Liberation Front in El Salvador. We thought he only handled human rights but we see he also delves into foreign policy. However, this is not the main issue."

"I want to refer to the fact that years ago we publicly proved that Battalion 3-16, which he mentioned so many times, had been dismantled, so the unit no longer exists. Nevertheless, he seems to have forgotten this or he may be intentionally forgetting this. The unit disappeared but the Counterintelligence Battalion he mentions does exist and its commander, which he mentions, is a member of the Armed Forces. In other words, he has absolutely nothing to do with the activities that Battalion 3-16 reportedly carried out. If Custodio wants it, we can send him a copy of the agreements to dismantle Battalion 3-16 and to appoint the current commander of the Counterintelligence Battalion, which has existed for many years. That is all. I wanted to clarify this and I hope Dr Custodio is more objective in his statements. I sometimes believe that the problem of being on one side [words indistinct] the mind."

[Reporter] "Colonel, when will the Armed Forces be able to give the Honduran people exact information on the latest people who have been reported missing in our country?"

[Col Suarez] "Excuse me, I can hardly hear you.

[Reporter] "I asked: When can the Honduran people have exact information on the people who have been reported missing in the country?"

[Col Suarez] "Look, we believe that we will shortly, and I am talking about a short time, have enough information for everyone on the persons you have mentioned because the investigations continue. The police arrest people based on the suspicion or hard, rational evidence that they are involved in criminal actions. I believe you will soon have enough information on those persons who have been arrested by the police."

Army Dismantles Salvadoran Guerrilla Cell

PA0608130989 Panama City ACAN in Spanish 2155 GMT 4 Aug 89

[Text] Tegucigalpa, 4 Aug (ACAN-EFE)—The Army reported today that it dismantled a Salvadoran guerrilla cell that was in charge of providing logistical support and transportation of weapons from Nicaragua to El Salvador through Honduran territory.

During military actions that began on 29 July, one of the guerrillas was killed and six were arrested. Three of those who were arrested were Salvadoran citizens and the other three were Hondurans, according to documents they were carrying.

The detainees were members of a cell that transported weapons to the Farabundo Marti National Liberation Front (FMLN) in northern El Salvador from northern Nicaragua through eastern, central, and western Honduras.

The guerrillas, who also transported medical equipment, literature, and food, ran small businesses in Honduras that served as "fronts," a military source said.

According to Army spokesman Colonel Manuel Enrique Suarez, the detainees are in court custody, and 71 AK-47 rifles, ramrods, bayonets, and other equipment have been presented as proof against them.

Col Suarez confirmed the existence of "several other groups that we are investigating with a view to dismantling them."

The officer said that it had not been proven if the weapons are supplied to the Salvadoran guerrillas by the Cuban Government through the Nicaraguan Government "because so far we only know that the weapons are transported from Nicaragua to El Salvador through Honduras."

Guerrillas Offer To Talk With Armed Forces

PA0408213289 Tegucigalpa LA TRIBUNA in Spanish 4 Aug 89 p 7

[Text] The Sole National Directorate of the Revolutionary Movement of Honduras [MRH] on 3 August offered to hold talks with the Armed Forces "to save the nation, face the crisis afflicting the country, and to recover our national identity."

The "offer" was made from Managua in a communique sent to the media.

The document said: "We have gone from being a banana republic to something even worse: a land-based U.S. aircraft carrier. The Honduran people will never accept such a thing and we do not doubt that Hondurans in uniform also reject the neocolonist's attempt to turn our Armed Forces into a substitute for the old Somozist Guard."

The "Honduran revolutionaries" pointed out: "Our cause will be victorious because justice is on our side. We are absolutely sure that history is on the side of the MRH."

The communique added: "The Armed Forces must be purged of the members who dishonor the military uniform with their turncoat and capitulationist stance and with their repressive actions against the people."

"We extend our hands to the Armed Forces with no hypocrisy so we can construct Honduras' neutrality, detach the country from the U.S. policy of regional war, and end the internal preventive war, the state terrorism. Otherwise, there will be an explosion of unpredictable consequences for the country," the communique states.

Finally, the document demanded: "The contra forces must be disarmed and dislodged from our territory as soon as practicable in compliance with the Costa del Sol agreements and the UN Security Council's unanimous resolution."

Nicaragua

Reportage on Government Presence at Tela Summit

Ortega's Attendance Supported

PA0508132789 Managua Radio Sandino in Spanish 1215 GMT 5 Aug 89

[Statement by President Daniel Ortega at the Presidential House in Managua on 4 August—recorded]

[Text] I am traveling to this (?city), to this meeting in Honduras, bringing with me the great support, the Nicaraguan people's support, the support of the workers, peasants, soldiers, and youth, who are here today to express their support for the efforts I have made to secure peace. Our work is aimed at attaining peace. [Words indistinct] support of all the Nicaraguan political parties. Regardless of the parties' different ideological views, we are all united in this position. We will all defend the Nicaraguan people's right to peace.

I expect the Central American governments and the U.S. Government to respect the agreement we signed today, on 4 August, here in Managua, Nicaragua, between the President of the Republic of Nicaragua and the 21 legally registered parties in this country. This agreement is very historic and will have an impact on efforts to strengthen peace.

Ortega Plans Proposal

PA0508013389 Panama City ACAN in Spanish 2245 GMT 4 Aug 89

[Text] Tela, Honduras, 4 Aug (ACAN-EFE)—Deputy Foreign Minister Jose Leon Talavera today reported that President Daniel Ortega will present to the fifth Central American presidential summit, which will begin in this city tomorrow, a proposal to eliminate any "pretexts" the U.S. Government might have not to contribute toward peace in Central America.

Talavera said the proposal, which is the result of an in-depth analysis of the Central American situation, is supported by the entire Nicaraguan opposition.

He added that the document, which includes more than 50 points, leaves the U.S. Government without any excuses to continue supporting the contras. The proposal also paves the way for a fair electoral process with the participation of all of the Nicaraguan forces on an equal basis.

The proposal that Ortega will present was approved today after 24 hours of negotiations betwen the government and 21 opposition parties.

Talavera described the document as a "fundamental step" toward peace and said the president will provide proof of the support of all political forces to show that the February elections "will be free and clean."

Talavera said further that the document includes a request to respect the commitments made at the previous summits so the demobilization of the contras, who are based in Honduras, cannot be delayed any longer.

D'Escoto Discusses Support to Salvadoran Rebels

PA0508173889 Guatemala City EL GRAFICO in Spanish 4 Aug 89 p 3

[Text] Guatemala City, 4 Aug—In response to insistent questions by international and local reporters, Nicaraguan Foreign Minister Miguel D'Escoto Brockman admitted that President Daniel Ortega's Sandinist Government supports the Farabundo Marti National Liberation Front (FMLN) guerrillas active in El Salvador.

The reporters spoke with the Sandinist diplomat during the foreign ministers meeting being held in the Guatemalan capital. The meeting was called to draft the agenda for the upcoming Central American "presidents summit" to be held on 5, 6, and 7 August in Tela, Honduras.

In response to a specific question, D'Escoto Brockman said that his government provides "logistical" and humanitarian support to the FMLN forces fighting against the Salvadoran Government now headed by President Alfredo Cristiani of the Nationalist Republican Alliance (ARENA).

He said, however, that the Nicaraguan Government is very willing to contribute to the promotion of peace and to finding a solution to the armed conflicts and problems in Central American countries.

On his part, Costa Rican Foreign Minister Rodrigo Madrigal Nieto maintains that the logistical support for the Salvadoran guerrillas and other rebel groups is supplied by Nicaragua.

Nicaraguan Resistance member Roberto Ferrey said that the Sandinist People's Army is aiding rebel movements in other countries and that the Nicaraguan opposition is struggling to have genuine and free elections.

D'Escoto 'Misinterpreted'

PA0608165489 Panama City ACAN in Spanish 2218 GMT 5 Aug 89

[Text] Guatemala City, 5 Aug (ACAN-EFE)—Nicaraguan Ambassador to Guatemala Ricardo Zambrana said today that Nicaraguan Foreign Minister Miguel D'Escoto was "misinterpreted" and that at no time did D'Escoto say that the Nicaraguan Government gives logistical and humanitarian aid to the Salvadoran guerrillas.

Zambrana said that when asked by journalists before departing for Tela (Honduras) from Guatemala, D'Escoto denied those reports, describing them as "false and absurd."

After carefully listening to a recording of D'Escoto's statement, ACAN-EFE confirmed that at no time did he refer to "logistical and humanitarian support for the Salvadoran guerrillas" as reported yesterday by various media sources, including ACAN-EFE.

Zambrana stressed that the manipulation of D'Escoto's statement "is part of a campaign by our adversaries to create tension" prior to the Tela presidential summit.

Further on Ortega at National Dialogue

Reads to Assembly

PA0408180289 Managua Domestic Service in Spanish 1426 GMT 4 Aug 89

["Political agreement" reached between the government and 18 opposition political parties at the end of the National Dialogue on 4 August; read by President Daniel Ortega at the Olof Palme Convention Center in Managua—live; numbering as heard]

[Text] Political agreement

President Daniel Ortega Saavedra, commander of the revolution, and the representatives of the legally registered political parties that met on 3 and 4 August 1989 at the Olof Palme Convention Center in Managua successfully concluded the national dialogue.

The national dialogue was held in fulfillment of the agreements signed by the Central American presidents on 14 February 1989 in Costa del Sol, El Salvador.

The national dialogue was attended by the National Assembly Board of Directors, members of the Supreme Court of Justice and of the Supreme Election Council [CSE], UN and OAS observers, observers from the Center for Democracy, and members of the diplomatic corps accredited to Nicaragua.

As a result of the national dialogue, which was widely covered by local and foreign media, the president and the representatives of the political parties attending the dialogue agree:

1. To assert before the Nicaraguan people and international public opinion our joint willingness to contribute to the success of the peace plan that will reach a decisive moment at the Central American summit to be held in Tela, Honduras, in the next few days.

In this regard, the Nicaraguan Government and the political parties issue a call to the Central American presidents so that the plan for the demobilization, relocation, or voluntary repatriation [repatriacion voluntaria] of irregular forces in Honduran territory will be approved in accordance with the Costa del Sol Agreements and within the framework of the Esquipulas II Agreements. The Nicaraguan Government promises to promulgate a broad and unconditional amnesty law for prisoners or for those sought for committing crimes against the law on the maintenance of order and the public security law and related common crimes. It will enter into force when the demobilization, relocation, or voluntary repatriation plan is fulfilled.

2. The political parties issue a call to the governments interested in the Central American region to refrain from carrying out covert activities directed against the Nicaraguan electoral process.

All material support for the political parties or alliances participating in the Nicaraguan election must be provided in accordance with the Nicaraguan laws.

The Nicaraguan Government and the political parties agree to consolidate the legal and political conditions needed for the holding of free and fair elections and for the existence of equal conditions for all the participating political parties.

The political parties agree to send lists of citizens proposed as candidates to be members of the vote-receiving board in accordance with the electoral law.

4. The president of the Republic will put into effect a program to guarantee that in the period September 1989 to February 1990, inclusive, there will be no recruitment for the Patriotic Military Service.

2. A bill amending the media law will be immediately introduced at the National Assembly so that during the election process this law will be under the direct supervision of the Supreme Electoral Council, which will supervise matters within its purview.

3. A bill abrogating Decree 1074, the law on the maintenance of public order and security, will be immediately introduced at the National Assembly. Similarly, a bill amending Article 494 of the Penal Code will also be introduced.

4. A bill will be immediately introduced at the National Assembly to amend the law on the jurisdictional functions of the Sandinist police, eliminating the parts that grant it jurisdiction. [not further specified]

5. In fulfillment of Paragraph 212 of Article 218 of the Electoral Law, the president will made available a continuous half an hour of daily airtime to the political parties or alliances participating in the election process. They can broadcast this half-hour program from Monday to Saturday at a time between 1800 and 2100 on Channel 2 of the Sistema Sandinista Television Network from 25 August to 2 December 1989. That free air time will be scheduled by the CSE in agreement with the political parties or alliances and in accordance with Article 109, Paragraph 2 of the Electoral Law.

6. The president will request the National Assembly Board of Directors to immediately discuss and approve the law on civilian services.

7. The Nicaraguan Government will immediately release the prisoners who were sentenced for violating the law on the maintenance of public order and security—and who are disabled—after the National Assembly Human Rights and Peace Committee issues the corresponding report or through the mechanisms established by the Penal Code.

8. The Nicaraguan Government will discuss the release based on lists that the political parties signing the current agreement will submit, proving that the prisoners listed are indeed members of these political parties and were arrested for political activities.

9. The government reasserts the guarantees for the various forms of properties established by the Constitution. Thus, those properties will not be subject to confiscations, expropriations, or actions for purely political reasons.

5. The president and the political parties signing the current agreement agree that the Nicaraguan president and vice president who are elected by the people on the 25 February 1990 will be inaugurated on 25 April 1990 in accordance with the procedures established by Constitutional Article 149.

The government and the political parties signing this agreement agree to support the expeditious approval of a temporary constitutional amendment with the exclusive purpose of facilitating the swearing-in on 24 April 1990 of the representatives-elect to the National Assembly.

6. The political parties signing this agreement, with the support of the president of the Republic, propose the following to the CSE:

1. That each party or alliance of parties participating in the electoral process be given a list of citizens registered in voter registration lists no later than 60 days before the elections.

2. That copies of documents pertaining to the opening and closing of the voter registration lists and the opening and closing of the voting and vote counting at each vote-receiving board be given to the poll representative of each party or alliance.

3. That there be duplicate electoral lists, one of which will be kept at the CSE and the other at the corresponding regional electoral council beginning at registration and until 3 months after the elections.

4. That one or two political party or alliance poll representatives from the vote-receiving board be tasked with guarding sealed packages containing electoral documents that will be used in the vote count at regional electoral councils following the elections.

5. That the CSE continue making efforts to obtain technical and financial support from foreign governments and international organizations to start the process of issuing identity cards to Nicaraguan citizens and to ensure that this process is completed before the 1996 elections.

6. That the CSE continue to guarantee that no voting tables be installed inside military units and that soldiers register and exercise their right to vote at the vote-receiving board nearest to their military unit.

7. That the use of public buildings for election campaigning be banned.

8. That all print media be called upon to guarantee that they will not refuse to carry propaganda from any party or alliance.

9. That media airtime be equally distributed among parties and alliances.

10. That the ban on the use of state property and materials for partisan election campaigning be effectively enforced.

11. That there be guarantees for the right to carry out political campaigning wherever there are gatherings of citizens who have the right to vote.

12. That there be guarantees for the right of party poll representatives to inspect ballot boxes before beginning the voting process.

13. That documents showing the delimitations of each vote-receiving board be given to the political parties or alliances no later than 10 days before the opening of voter registration.

14. That it be guaranteed that public employees will only be able to get involved in partisan activities outside working hours. No public or private employer will force his employees to participate in political campaigning.

15. That 29 September be established as the final deadline for the registration of candidates for representatives before the National Assembly.

16. That radio and television rates be established to take effect during the election campaign.

17. That a national seminar for party and party alliances poll representatives be organized.

18. That political parties or party alliances be allowed to freely select their poll representatives and that the CSE extend the deadline for their nomination. The credentials sent by political parties must be immediately signed and sealed at the corresponding regional electoral council.

19. That the freedom of all parties and alliances to conduct public opinion polls without legal restrictions of any kind be guaranteed; that only the full publication of all questions and technical details of the poll be demanded. Polls should not be conducted 30 days before the elections.

20. That the fulfillment of Article 206 of the Electoral Law pertaining to fuel, lubricants, and supplies for election propaganda be guaranteed.

21. That financing for the election campaign be distributed no later than 8 days after the registration of presidential and vice presidential candidates.

22. That guarantees be made for the free access of official observers to the vote-receiving boards and to regional and national computing centers and to electoral documents and any activity of legally registered parties.

23. That acetone be used to clean up and indelible ink be used to dye the voters' fingers.

24. That additional voting tables be installed when more than 400 citizens are registered at a vote-receiving board. By guaranteeing secret ballots, identification lists, and sufficient voting tables, there should be no more than 400 voters per table and the voting should end within the time frame specified by law.

25. That the secrecy of the vote and the presence of principal and alternate members and poll representatives of the vote-receiving boards be guaranteed.

26. That access to regional and national centers be guaranteed to candidates for presidential and vice presidential candidates, and to directorate members of parties and party alliances registered during the electoral process.

27. That a pluralist criterion be used to appoint the electoral organizations' administrative personnel.

28. That the per diem rate and transportation costs of the parties' inspectors at the vote-receiving boards be established.

29. That the registration of citizens be carried out during four Sundays in October 1989.

30. The CSE will create a consultation board to be composed of seven members pluralistically elected according to Article 202 of the Electoral Law. We hereby state that the Democratic Conservative Party representative disagrees with Paragraph 2, Point 5, referring to the swearing-in of the representatives elected to the National Assembly.

Issued in Managua, 4 August 1989.

Signed by Daniel Ortega Saavedra, president of the Republic, Bayardo Arce Castano for the Sandinist National Liberation Front; Erick Ramirez for the Social Christian Party; Silvano Matamoros, Dr Duilio Baltodano, Jaime Bonilla, Eli Altamirano, and Luis Sanchez for the National Conservative Party, the National Action Party, the Independent Liberal Party, the Communist Party of Nicaragua, the Nicaraguan Socialist Party, the Democratic Party of National Confidence, the Popular Social Christian Party, the Popular Conservative Alliance, the Social Democratic Party, the (?Neoliberal Party), the Nicaraguan Democratic Movement, and the Constitutionalist Liberal Party; Dr Eduardo Coronado for the Independent Liberal Party for National Unity; Blanca Rojas for the Central American Unionist Party; Jose Maria Zavala for the Social Conservative Party; Daniel Brenes for the Democratic Conservative Party; and Dr Clemente Guido for the Democratic Conservative Party.

Discusses Achievements

PA0408172789 Managua Domestic Service in Spanish 1501 GMT 4 Aug 89

[Speech by President Daniel Ortega at the conclusion of the National Dialogue and prior to the signing of the agreements between the government and political parties at the Olof Palme Convention Center in Managua on 4 August—recorded]

[Text] We have worked here all these hours seeking common ground and a rapprochement among political forces, which each have their own profile and ideology. The purpose of the dialogue is not to turn forces that define themselves as conservative, Christian Democratic, Communist, Marxist-Leninist, or Sandinist into a single ideological force; instead, the idea is to strive to reinforce an election process, which—in addition to the economic action plan promoted by the Nicaraguan Government and supported by the workers and patriotic farmers, and in addition to the efforts by the Sandinist

People's Army and the Interior Ministry to defend the revolution—will become an important element in achieving peace, which is what the Nicaraguan people demand.

All political parties agree on the subject of peace. Regardless of our ideological differences—and we do not deny that they exist—we have expressed our resolve to strive for peace and to listen to the Nicaraguan people's just demand for peace in order to rebuild the economy, develop social programs, guarantee the right to life, and create favorable conditions for the development of a system characterized by a mixed economy, political pluralism, and nonalignment. When we hear demands arising from the ideological principles of the political forces represented here, we are certainly facing demands that can be met in some cases and which cannot be met in others. Ultimately, the electoral process—which looms in the near future—provides an opportunity to test these political stances, to test these political stances [repeats himself] before the will of the people.

As president of the Nicaraguan people, I believe that what can be referred to as concessions made by each side—concessions that bind all of us—were made for the sake of a higher interest, which is to reach peace for the sake of the Nicaraguan people. I do not feel that those concessions are jeopardizing the fundamental gains attained on 19 July 1979. I did not hear any proposals that would jeopardize those gains.

The challenge lies ahead and therefore we must take seriously our responsibilities resulting from the signing of these agreements. It is not a matter of being able to boast that a political force's position prevailed over that of another force. It would be more appropriate to boast that the Nicaraguan people's will prevailed over partisan interests. The Nicaraguan people are the ones who will be victorious as a result of this agreement that we will sign today. Victory does not belong to any one party, but to all Nicaraguans. This agreement will be reached because the Nicaraguan people have demanded it. I hope that the agreement is reached in a truly constructive spirit and that the spirit behind it will prevail when the document is revealed, when we evaluate this meeting, when we implement the agreement, when we promote the electoral process, and when we go to the 25 February 1990 elections.

I believe that Nicaraguans have a historic responsibility to the Latin American and Caribbean countries and to the developing nations in general. We have the historic responsibility to implement the revolutionary project with social, political, and even opposing sectors. This revolutionary project is pluralist and is to be implemented within a mixed economy, which needs to be strengthened. This project, which now appears to be utopian, must be made a reality here in Nicaragua. The consolidation and strengthening of this project by the Nicaraguan people will largely depend on our own maturity and responsibility.

At this meeting, opposing views have been expressed. There have been strong accusations and criticisms of specific positions. As political leaders, however, we are all exposed to this type of confrontation and should not become upset or feel hurt, regardless of how heated the discussions have been. What is important are the results. The results of this meeting have demonstrated that there is a willingness to work to strengthen democracy and, therefore, peace in Nicaragua. This is the great lesson we are teaching those who wish to teach lessons to Nicaraguans.

In a profound revolutionary process, men having conflicting and antagonistic ideologies can hold talks, can reach agreements, can take specific steps to end the war that has been tormenting the Nicaraguan people, and can create conditions previously unheard of in the political history of our nation—and, I would dare add, in the political history of Latin America, the Caribbean, and the entire American continent; that is, to hold free elections with the participation of 21 political parties, with UN observers, participating for the first time in this kind of mission in an independent state, with OAS observers, also carrying out this mission for the first time in Latin America or the American continent, with U.S. observers, and with observers from all over the world. This revolutionary process is not afraid of open talks and is not afraid to engage in a polemic in front of the media. This has been a true "Face the People", broadcast on the radio all this time. The dialogue can become a true lesson in democracy.

Parties such as the MUR [Movement of Revolutionary Unity], the PRT [Revolutionary Workers Party], and the MAP [People's Action Movement] object to some points of the final document. It is quite all right for them to sign the document, despite their reservations; that can be easily arranged. Since we have the document here, and since the majority of those parties present are prepared to sign it as it stands—after the final adjustments were approved—I invite them to sign it right now.

Praises New Agreement

PA0408171989 Managua Domestic Service in Spanish 1442 GMT 4 Aug 89

[Speech by President Daniel Ortega following the signing of an agreement with opposition parties at the National Dialogue at the Olof Palme Convention Center in Managua—live; broadcast in progress]

[Text] ...at the signing of this document today, 4 August, following a very long day. We have worked for almost 24 hours without stopping. We—the Nicaraguans meeting here, those representing the Nicaraguan Government and the 21 legally registered parties—can proudly say that the great winners are the Nicaraguan people; the great winner is democracy; the great winner is Nicaragua's self-determination; the great winner is Nicaragua's independence; and the great winner is the peace the Nicaraguan people are demanding and yearning for.

Today, on behalf of all Nicaraguans who have expressed our commitment for peace at this historic event, I address the international community as well. I want to thank them for all the support they have given us. We are sure they will continue to help us so Nicaragua can make progress.

I hope that the U.S. Government respects the sovereign decision made by the Nicaraguans who are gathered here and who signed this agreement. I hope that this leads to a change in U.S. policy toward Nicaragua. I hope that the war, the embargo, and the aggression will end. I hope that both the United States and Nicaragua will truly work in favor of peace in Central America. I hope that the Central American governments feel that this effort made by the Nicaraguan people, Government, and legally established political parties is also their own. I hope that the Honduran Government now feels stronger—as President Azcona said yesterday—and will put into effect the plan to demobilize the contras.

In this historic day, we voice our recognition of all the Nicaraguan people, of all those who have given their blood and lives in these years of pain. We voice our recognition of all Nicaraguan mothers, of all those men and women of goodwill who have been working in favor of peace. We voice our recognition of His Eminence Msgr Miguel Obando y Bravo, who has actively participated in this peace process with the Nicaraguan people.

Nicaraguan brothers, I am convinced that today we have succeeded in taking a very important step toward peace, for which we have been struggling. We have succeeded in taking a very important step toward guaranteeing the Nicaraguan people's right to life. We took a very important step toward strengthening the multiparty system with a mixed and independent economy. I wish to express my gratitude to all the leaders of the legally registered political parties that participated in this entire dialogue. They have placed the nation's interest before their parties' interests. I believe that is what gave us the miracle of reaching this historic agreement today. Thank you very much. [applause]

Opposition Leaders Comment on Agreement

PA0608135689 Managua Radio Sandino in Spanish 1200 GMT 5 Aug 89

[Report on interview with "opposition" party leaders by unidentifed reporters; date and place not given—passages within quotation marks are recorded]

[Text] Opposition leaders have commented favorably on the political agreements. According to Isidro Tellez, leader of the opposition Marxist-Leninist People Action Movement Party, the agreements signed between the revolutionary government and the political parties grant concessions to right-wing parties. Tellez did admit that the group of 12 opposition parties demand the disbanding of the contras in Honduras.

[Tellez] "We believe that they [not further identified] signed an agreement with the counterrevolutionary forces a few days ago and that they have agreed with the Sandinist National Liberation Front [FSLN] Government to disband the forces that they have represented up to now. Therefore, we believe they have made concessions in this respect. We must also point out that they came to present a series of demands not contemplated in the document, something that we view as an obstacle to the previous proposals."

[Reporter] [words indistinct]

[Tellez] "There are a series of such demands that have to do with private property, and so on, which have been left out. They also contain a series of points that are subject not to their will or to the will of the FSLN, but to the will of the political parties."

Eli Altamirano, leader of the Communist Party of Nicaragua, believes that the political agreements are vital for our country to reach a democratic process.

[Altamirano] "I believe that what has been accomplished is a real contribution toward the struggle for peace and democracy. It is also a contribution toward the struggle for the country's patriotic and democratic unity, with a view toward reconstructing the country under the most patriotic and progressive terms possible."

[Reporter] "Does the Communist Party have any basic points within this document?"

[Altamirano] "All of them, in general, are valuable. All of them are important and we believe all of them in general present an acceptable framework for the electoral process."

Dr Clemente Guido, leader of the Democratic Conservative Party of Nicaragua, said that with the political agreements, a clear and honest electoral process is possible in our country.

[Guido] "Several points were achieved that translate into a pure electoral process, if complied with. Naturally, we are bent on ensuring that the electoral process is clear and that it also serves as a way of to make changes in the government—something very different from changing governments [word indistinct]."

[Reporter] "What about basic and important points such as the use of the media and general amnesty?"

[Guido] "General amnesty was a basic point. In fact, I read that as the initial point yesterday, as my party has been insisting all along. I believe this will take place simultaneously to the contras leaving Honduras, because the amnesty was conditioned on their departure."

Commenting on the contents of the political agreements signed between the revolutionary government and the political parties, Dr Silviano Matamoros, a leader of the National Conservative Party [Partido Nacional Conservador] said: We are going to prove we want democracy. Matamoros said that with these agreements, acceptable elections can be carried out in February. According to Matamoros, the political agreements will allow the contra forces in Honduras to abandon their weapons, because they will have no reason to do otherwise. This is a good principle, and Nicaragua is going to prove that it can have democracy, the leader said. He then pointed out: Now we have to go and register at the country's electoral offices.

Demand Compliance in 10 Days

PA0608165289 Panama City ACAN in Spanish 2318 GMT 8 Aug 89

[Text] Managua, 5 Aug (ACAN-EFE)—The Nicaraguan opposition today demanded that the Sandinist Government comply within 10 days with electoral agreements reached within the National Dialogue that ended on 4 August.

The National Opposition Union (UNO), which is comprised of 12 legally-established parties and two that are in the process of taking the necessary steps to obtain legal status, pointed out that within the deadline specified, the government must repeal the law on the maintaince of order and public security, which "represses individuals who are up in arms."

According to UNO, the government must also amend the law on the jurisdictional duties of the police which empowers that armed group to try and sentence the accused.

Before the deadline, UNO states that the government must also amend the Press Law and take away the Interior Ministry's jurisdiction over electoral legislation and tranfer it to the tribunal that will regulate the 25 February elections.

UNO states that, in keeping with the agreements, the military authorities must release an unspecified number of ill political prisoners.

UNO also states that a commission of opposition and government attorneys must be established to study the constitutional and legal formula that was agreed upon to establish a mechanism to transfer power to the winner of the upcoming elections.

The leaders of the main opposition bloc point out that they will continue to seek the democratization of Nicaragua and toward that effect, they will continue to fight militarism, "one of the country's most evil scourges."

As for the contras who are stationed in camps in northern Honduras, UNO maintains that their demobilization "should not be an isolated measure."

The group points out that the contras' demobilization "must be simultaneously accompanied by a drastic and accelerated decrease in the number of troops of the excessively large Sandinist People's Army and by the demilitarization of state institutions."

Silviano Matamoros, one of the five members of UNO's negotiating commission who participated in the dialogue, today told the local press that "the resistance (contras) should be disbanded only after Ortega has complied with his commitments."

Three ultraleftist and five self-proclaimed centrist parties, which acted independently during nearly 24 hours of debate, also participated in the dialogue that took place on 3-4 August.

Arce Comments on Meeting With Opposition

PA0608130389 Managua Radio Sandino in Spanish 1200 GMT 5 Aug 89

[Interview with Commander Bayardo Arce Castano, vice coordinator of the Sandinist National Liberation Front Executive Committee, with unidentified reporter; date and place not given—recorded]

[Text] [Arce] This 24-hour meeting was a positive experience that set a precedent that may be useful to us in dealing with other types of problems.

[Reporter] Were there any positive steps taken?

[Arce] I believe so. We talked and exchanged ideas and points of view that perhaps were antagonistic at the beginning and still are. Obviously no opposition party has become Sandinist and neither have we become conservatives or liberals. Simply put, from differing ideological-political stances we found similar points on which we could agree to strengthen democracy and the electoral process.

U.S. Officials Reported Present at UNO Meeting

PA0608235989 Managua BARRICADA in Spanish 5 Aug 89 p 2

[Report by T. Rothschub]

[Text] Juigalpa—The presence of two U.S. Embassy officials—Mary Ann Wright and Katherine M. Ingmanson—at a meeting in Juigalpa yesterday with the rightwing UNO [National Opposition Union] is proof of U.S. meddling and reveals the plan set in motion by the CIA for Nicaragua's elections.

The two foreigners, who arrived in a large white diplomatic corps station wagon with tinted windows and license plate No 1935, met for approximately 2 hours yesterday morning at the home of [Mario] Rappaccioli of the Nicaraguan Conservative Party [PCN].

The two U.S. officials reviewed UNO's situation and offered election advice. Shortly before the meeting, Delvis Montiel, acting UNO president, told BARRICADA: "We have insisted on being given the opportunity to receive foreign donations to carry out our electoral campaign."

Among the rightwingers who, along with Montiel, met with the U.S. Embassy officials are LA PRENSA correspondent Pedro Rafael Garcia; Bemildo Guevara, follower of [Independent Liberal Party leader Virgilio] Godoy; Simona Arroliga of the PCN; Fulgencio Ayala of the PAN [National Action Party]; [Eduardo] Rivas Gasteazoro [member of the Social Christian Party]; and Joaquin Lovo [not further identified].

Bemildo Guevara said he was unaware of the foreigners' visit. "I just arrived," he said, but he contradictorily admitted that they had just left. The U.S. officials later visited Santo Tomas Municipality.

Minister on July Inflation, Currency Rates

PA0508151389 Managua BARRICADA in Spanish 2 Aug 89 pp 1, 15

[Text] Planning and Budget Minister Alejandro Martinez Cuenca reported that inflation was 8.5 percent in July.

This is a drastic improvement over June, when inflation rose to 63 percent, after being 12.5 percent in April and 15 percent in May.

He reported that the price of 58 basic food products had increased by only 5.8 percent, after averaging a monthly increase of 37 percent between January and June. This shows that there has been a substantial improvement in the Nicaraguan people's buying power.

He said that the decrease in inflation is due to the government's austerity policy and discipline in controlling the fiscal deficit and in issuing currency. He said that drastic currency devaluations will not be necessary if the inflation rate continues to decrease. Meanwhile, Jose Dolores Gomez, head of the International Currency Exchange Bureau [BICSA], reported that as of 2 August, the dollar will be sold at 25,500 cordobas instead of 25,750 on the parallel market, while the purchasing price will remain stable at 25,000.

Gomez said that the BICSA has enough currency available to meet public demand. He added that he hopes that the lower price will result in increased consumption.

Martinez Cuenca confirmed that inflation was 8.5 percent in July and stressed the need for all economic sectors to cooperate in stabilizing prices to prevent drastic currency devaluations. Martinez said that if the increase in inflation is kept below 2 percent in August, there will be no need for a devaluation. However, if inflation exceeds that amount, it will be necessary to take steps to adjust the currency exchange rate, although these adjustments will be lower than those applied in June.

He said that the price of staple food products has been stabilized and that no special increases are required. He said, however, that some prices must be adjusted because they have not kept up with costs. Such price adjustments would be applied in isolated cases and not in general.

Another important index of economic stabilization in June is that the black market buying rate (23,000 cordobas to the dollar) remained below the parallel market rate. Time deposits—which reflect the depositors' determination to invest their cordobas in order to obtain better interest rates before converting cordobas into dollars—substantially increased. These deposits had been estimated at 25 million [currency not specified], although they in fact amounted to 29 million.

Regarding the decrease in the dollar's value announced for 2 August, Martinez Cuenca stressed that the amount of the decrease (250 cordobas) is not as important as the fact that the lower dollar value shows that there is foreign currency on hand which is not being sold.

He added that this is the first time in many years that the foreign exchange situation has improved. In August there was more opportunity for import activities, which supports the idea that the issuance of currency should be backed by our international reserves.

EPS Reports 3 Contras Killed in Attacks 1 Aug

PA0408231689 Managua Radio Sandino in Spanish 2206 GMT 4 Aug 89

["Report" issued by the Public and Foreign Relations Directorate of the Defense Ministry in Managua on 4 August]

[Text] On 1 August, a Sandinist People's Army [EPS] patrol was attacked by counterrevolutionaries at Las Pavas, southwest of Muhan in Chontales Department. The EPS troops counterattacked, killing one of the mercenaries. Another EPS patrol was attacked in Santa Barbara, west of Jinotega, the same day. Two counterrevolutionaries, including one of their leaders nicknamed Hen, were killed during the attack.

Managua, 4 August 1989

Public and Foreign Relations Directorate of the Defense Ministry

Panama

New U.S. Maneuvers Noted in Amador, Assessed

PA0508015789 Panama City Televisora Nacional in Spanish 2338 GMT 4 Aug 89

[Text] Seeking to continue the state of insecurity which prevails among the Panamanian people, U.S. Army troops carried out new military exercises early this morning in the area of Amador without advising the Panamanian authorities.

The U.S. military units arrived all of a sudden at 0200 with their usual deployment of weapons, including five Black Hawk helicopters, two patrol boats, troops in full combat gear and armed with M-50 machineguns, and dragoon-type parachute jumps. In carrying out the exercise during the night hours, the U.S. Army once again uses its war power, using modern war tactics such as the use of laser beams. In addition, the U.S. Army shows its disdain for the Panamanian people by mobilizing its troops and war equipment at a time when the community is enjoying its right to a good night's rest.

The Panamanian military authorities have information that other mobilizations were simultaneously carried out in different parts of the country's Atlantic sector as part of the U.S. Army South's intimidation operations to threaten the Panamanian population.

Official sources have been consulted about the deployment of troops in Amador, and they were termed as an offensive maneuver that is clearly intended to recover by force the areas that have reverted to Panama according to the Torrijos-Carter treaties.

After remaining in the area for 6 hours, the troops and mobile weapon systems were evacuated by helicopter to Playa Venado, where the maneuvers continued. These intimidation exercises foil the efforts currently being exerted by the opposition and government sectors, with the OAS mediation, as part of the search for specific solutions to the crisis affecting the country.

U.S. Helicopters Reportedly Violate Airspace

PA0608130489 Panama City LA REPUBLICA in Spanish 4 Aug 89 pp 1, 8

[Text] Panama City, 4 Aug (PANAPRESS-POOL)—Miguel Von Seidlitz, civil aeronautics deputy technical director, has reported that U.S. aircraft violated Panamanian airspace on 31 July.

In this particular case, two U.S. Army helicopters bound for Quito, Ecuador, made emergency landings on Contadora Island, Panama, for repairs.

The pilots landed without obtaining prior permission from the Panamanian authorities in violation of national agreements and the addendums of the International Civil Aviation Organization, ICAO.

According to international regulations, prior to a flight—civilian or military—to other countries, a flight plan should be filed so that, in the event of an emergency, help can be rendered. By not doing this, the U.S. helicopters not only broke these rules and violated Panamanian airspace, but also violated a safety regulation.

Solis Palma on 'Permanent U.S. Invasion'

PA0608145189 Panama City Domestic Service in Spanish 1145 GMT 6 Aug 89

[Text] President Manuel Solis Palma has said in La Paz, Bolivia, that Panama is like a country being invaded without a shot being fired. That is how the Panamanian president described the permanent U.S. invasion of Panamanian territory. He said that U.S. soldiers permanently violate the Panama Canal treaties and frequently occupy unauthorized zones with tanks and soldiers.

Solis Palma also said Panama has avoided provocations so that the invaders cannot justify their actions, but in case of a confrontation, the people and the Panama Defense Forces are prepared to defend the national sovereignty.

As for Panama's internal situation, Solis Palma said his government is determined to achieve an understanding with the opposition and other social and political groups so that a national unity government can be created based on the principle that the canal belongs to Panama and national sovereignty cannot be violated.

Panamanian Bishops Communique on U.S. Relations

PA0508022389 Panama City Circuito RPC Television in Spanish 2333 GMT 4 Aug 89

["Communique" released by the Panamanians Bishops Conference, CEP, dated 3 August, read by Msgr Jose Luis Lacunza, auxiliary bishop of Panama and CEP secretary general; broadcast in progress—recorded]

[Text] ...fully the Panamanian crisis, we cannot ignore the relations with the United States of America, which has been our traditional partner in the canal endeavors, not the best of neighbors all of the time in the defense sites, and convenient sponsor of civil and military projects. The U.S. rulers have not always understood and sought the true interests of the Panamanian people. To this effect, the U.S. military forces have been present throughout all of our history as a Republic. They have intervened in a clear or veiled manner in public issues, and they have not encountered too much resistance from our rulers as long as they did not interfere with their interests.

II. Looking Toward the Future:

Evidently, for the sake of the Panamanian people, we must seek all peaceful means so that this agony that is oppressing us will not be prolonged any longer. In order to achieve this, we believe there are some elements that are indispensable:

1. The withdrawal of the current commander in chief of the Panama Defense Forces [FDP] and the effective withdrawal of the FDP to its specific functions.

2. Lifting of the U.S. economic sanctions and the immediate end to all action not contemplated within the framework of the Torrijos-Carter treaties, or that are harmful to Panamanian sovereignty.

3. Transfer of power on 1 September. If the election annulment is irreversible, then a government formula must be sought to handle the transfer of power that will lead to the effective interpretation of the people's will in the near term.

4. Any government, provisional or permanent, must bring about the immediate reestablishment of human, civic, and political rights; freedom for all political prisoners, whether civilian or military; reopening of all the media; return of all offices and installations that have been seized; reinstatement to national life of all persons who have been exiled or expelled from the country.

The national project that the Panamanian people need and demand has to look after the interests of the dispossessed and impoverished majorities. To this effect, when the new Panama Canal treaties went into effect, after pointing out the political and military tasks—internal and external—that we had to confront, the Panamanian Bishops Conference [CEP] pointed out: We still have ahead the most important task, which is precisely the training of Panamanians and of Panamanian society toward a truly effective democratic community that—with justice and maturity—will seek its overall development with the participation of all members and with a specific concern for the poor, the downtrodden, and the defenseless ones. This is taken from the CEP declaration of 21 September 1979.

III. An Urgent Call:

Under the present circumstances, the national situation is demanding serious meditation and prompt and determined action. Our people are suffering. There is unemployment, hunger, anguish, crime, demoralization. There is a poor majority that is becoming poorer all the time. A solution is urgently needed, not because the church wants to favor a certain political group, but in order to halt the great social chaos and to respond to the dissatisfaction among the great mass of the dispossessed. In the name of God, we ask the government, the progovernment political parties, the opposition political parties, the FDP, the international community, the U.S. Government, and the other Latin American governments represented in the OAS not to further prolong the agony of the people.

Only new men, capable of admitting their sins and converting to God in their hearts, are qualified to build a new society. Therefore, let us intensify our prayers to God who gave us life, let us beg for his forgiveness, mercy, and peace that will compel us as responsible men and women to work for peace and to open the path toward reconciliation.

Together with Pope John Paul II, we beg the Blessed Virgin Mary, mother of our America: Show your maternal love for the poor, for those who suffer, and all those who seek the Kingdom of your Son. Strengthen our efforts to build a hemisphere of solidarity and hope in truth, justice, and love. The apostle St John says that perfect love banishes fear. With love for Panama, let us advance without fear, having trust in God. Let us rebuild fraternity among ourselves. The Panamanian people deserve a new future. Issued in Panama City, 3 August 1989; Signed by all the bishops of then CEP.

Opposition Proposes Plebiscite on Proposals

PA0408191189 Panama City ACAN in Spanish 1850 GMT 4 Aug 89

[Text] Panama City, 4 Aug (ACAN - EFE)—The Panamanian opposition today proposed that in view of the fact that "no agreement has been possible" in the dialogue that it is holding with the government and the military, a plebiscite be held on 20 August to decide on the various proposals presented during the dialogue.

In a communique released to the press, the opposition stated that the plebiscite would be held "so that the Panamanian people can make known their opinion on the proposals through free, universal, direct, equal, and secret votes."

Three different formulas have been presented at the OAS-sponsored dialogue. There are big differences between the one presented by the opposition and the ones presented by the government and the progovernment parties. The military and the government sectors participating in the dialogue have yet to comment on the opposition's call for a plebiscite.

Communique on Plebiscite

PA0408201589 Panama City Radio America in Spanish 1924 GMT 4 Aug 89

[Communique issued by the Civic Democratic Opposition Alliance, ADOC, on 4 August in Panama City]

[Text] Considering that the OAS-sponsored dialogue has not succeeded in resolving Panama's political crisis, because its participants—the Civic Democratic Opposition Alliance [ADOC] on one side and the National

Liberation Coalition [COLINA], the Executive Branch, and the Panama Defense Forces on the other side—have not reached an agreement regarding the proposals submitted by each side, ADOC proposes holding a national plebiscite on 20 August 1989. This way, the Panamanian people will be able to express their views on the proposals made by each side through a free, universal, direct, equal, and secret vote.

The plebiscite will be held based on the following:

1. The Executive Branch will call the plebiscite through a decree drafted by mutual agreement between the ADOC and the COLINA.

2. The two sides formally pledge to be bound by the results of the vote. Therefore, the proposal that receives the majority of the valid votes cast will be implemented with the active cooperation of all sides so that we can have the appropriate transfer of power on 1 September 1989, as mandated by the national Constitution and the OAS' resolution, declaration, and reports.

3. A board composed of five Panamanian citizens, chosen through mutual agreement by all sides, will be in charge of organizing, supervising, and overseeing the plebiscite. The plebiscite will be observed by the OAS.

Duque Rejects Plebiscite

PA0508030589 Buenos Aires REUTER in Spanish 0130 GMT 5 Aug 89

[Excerpt] Panama City, 4 Aug (REUTER)—The opposition proposed today holding a referendum on 20 August so the Panamanian people may decide if General Manuel Antonio Noriega should continue as commander of the Panama Defense Forces and who won the annulled 7 May elections, but the official party rejected the proposal.

"We want the people to decide on the 7 May elections and Gen Noriega's departure," it was stated to the media by Guillermo Endara, former opposition candidate for the presidency.

Nevertheless, Carlos Duque, former government candidate for the Presidency, flatly rejected the proposal.

"The U.S. troops' hostility and harassment in Panama would not allow any plebiscite or elections, he told REUTER. [Passage omitted]

Reportage on OAS-Sponsored Tripartite Talks

Duque Comments on Meeting

PA0508025189 Panama City Telemetro Television in Spanish 2342 GMT 4 Aug 89

[Report on interviews with Carlos Duque, former presidential candidate of the progovernment National Liberation Coalition, following the morning and afternoon sessions of the OAS-sponsored national tripartite dialogue at the Vallarino Building in Panama City on 4 August—passages within quotation marks recorded]

[Text] Following this morning's session of the national dialogue, Carlos Duque was questioned by reporters:

[Duque] "The dialogue is being held in a harmonious atmosphere. We are discussing everything regarding the various proposals. The ADOC [Civic Democratic Opposition Alliance] representatives today submitted their written proposal.

[Reporter] "What do you think about the ADOC's proposal?

[Duque] "We have not discussed it. We have not begun to discuss the proposal.

[Reporter] "But what do you think about the proposal?

[Duque] "We have not discussed it; however, I believe that the best thing we could do is combine the best parts of each proposal.

[Reporter] "Are you still determined to create a national unity government?

[Duque] "Definitely. We must have a national unity government, a government of broad participation."

Carlos Duque made these statements in the midst of a protest staged by ADOC supporters. Duque also talked about the military maneuvers that the U.S. Army is carrying out in Panamanian territory:

[Duque] "I would say that these acts of provocation on the part of the U.S. Army against the Panamanian people not only harm the dialogue but also create unrest among the Panamanian people."

At the conclusion of today's session, Duque commented again on the results of the meeting.

[Reporter] "What about the ADOC's proposal?

[Duque] "I can tell you that we have been discussing the various proposals, and the dialogue will be interrupted briefly because Mr [Guillermo] Ford and Mr Ricardo Arias Calderon must travel abroad. Unfortunately, the dialogue will not resume until next week, next Thursday.

[Reporter] "What happened with the proposal presented by the opposition?

[Duque] "Three proposals have been presented.

[Reporter] "I am referring to the one that calls for a plebiscite.

[Duque] "The one that calls for a plebiscite has not been discussed.

[Reporter] "Which was the most controversial issue discussed during today's meeting?

[Duque] "I would say that we have reiterated our request that the U.S. aggression and presence of U.S. troops in Panama must be denounced.

[Reporter] "What about the environment surrounding the meeting?

[Duque] "The environment remains cordial and friendly. The dialogue will be interrupted briefly because two of the ADOC representatives must travel abroad. However, we are always willing to sit down to talk.

[Reporter] "Can we assume that the dialogue has reached a standstill?
[Duque] "There is no standstill. The ADOC representatives have requested a recess. They have previously scheduled engagements and will be out of the country for a few days. Ricardo Arias Calderon and Guillermo Ford had scheduled a trip to South America, and they requested a recess until next week."

Endara on Dialogue Postponement

PA0508033189 Panama City Telemetro Television in Spanish 2346 GMT 4 Aug 89

[Report on statements by and interviews with Guillermo Endara, former presidential candidate for the Civic Democratic Opposition Alliance, ADOC, by unidentified reporters following 4 August morning and afternoon sessions of the national dialogue held at the Vallarino Building in Panama City; passages within quotation marks recorded]

[Text] Today's national dialogue session began with the presentation of three proposals. The opposition's proposal demands respect for the 7 May elections and General Manuel Antonio Noriega's removal while COLINA [National Liberation Coalition] and the Executive Branch call for a provisional government of national unity and elections at a later date. Following this morning's session, Guillermo Endara said:

[Endara] "The proposals we presented are very different in principle. We see the popular will expressed on 7 May as an act of self-determination of the Panamanian people. You know the government and COLINA's position. They refuse to respect the people's will expressed on 7 May. We have also asked for General Manuel Antonio Noriega's removal, and the government and COLINA have remained silent regarding this. They claim that Gen Noriega is not a problem. We feel he is and he must be removed. In addition, we have insisted on respect for human rights. We believe that it is essential that human rights be respected; that the closed newspapers, radio stations, and newscasts be reopened; that the people in exile be allowed to return to the country; and that the political prisoners and the military who were arrested be released. We have said that all these are essential points, but COLINA and the government are not giving too much importance to the human rights issue and they have not included this aspect in their proposal.

"In light of these serious differences, we believe that it will not be possible to reach an agreement or a solution to the conflict in the short term; therefore, we have made a proposal we feel could give us the solution by 1 September. We have proposed holding a plebiscite on 20 August to let the Panamanian people solve this controversy. Let the Panamanian people, and not 10 men in a room, decide what they really want. We feel that the Panamanian people should have the right to decide what they want. We should give them the right to choose from the positions expressed by the ADOC, COLINA, and the government. We feel the Panamanian people should be told: Here are the proposals presented by the ADOC, COLINA, and the government. You decide and put an end to this problem. If we lose, we will abide by the wishes of the people because we owe ourselves to the people. However, if we win, we demand that the people's wishes be respected. As authentic democrats we feel that the people must decide. We want the people to decide about the 7 May elections and Gen Noriega's removal. Let the people decide whether Gen Noriega should leave or stay and whether human rights should or should not be respected. The people must be the ones to decide and not 10 men deciding for 2.2 million Panamanians. Let the Panamanian people express their wishes in a plebiscite to be held on 20 August; let them decide once and for all. After a reconciliation among Panamanians has been achieved, then we can begin rebuilding the country. However, the decision must be in the people's hands."

In its proposal the opposition has suggested that the organization and supervision of the plebiscite be in the hands of a commission comprised of five Panamanian citizens chosen by the parties involved. According to the opposition, the OAS would be an observer during the plebiscite. The government has not commented on the opposition's proposal and the negotiations resumed this afternoon.

[Endara] "During this afternoon's session, our request for a plebiscite was discussed. We also presented a complaint on the situation since the dialogue began. In its 17 May resolution, the OAS asked that the parties involved refrain from making the situation in Panama worse. However, we have observed that the human rights situation has gotten much worse. More and more people are being arrested, more and more searches are being ordered, and people continue to be persecuted for distributing party bulletins. Private and political freedoms are being attacked.

"I would also like to add that I have asked my two vice presidents to visit the presidents of Venezuela, Peru, and Colombia. They are leaving tomorrow for Venezuela. From Venezuela they will travel to Peru and then Colombia. If all goes according to our plans, we will resume the dialogue on Thursday morning.

[Reporter] "What are they going to talk to the presidents about?

[Endara] "I would rather you ask that question to Ricardo [Arias Calderon] and Billy [Guillermo Ford]. They are the ones working on this. As a soldier would say, even though I am not an expert on the subject, I am staying here to face the cannon.

[Reporter] "Why was the dialogue suspended until Thursday?

[Endara] "Because the two vice presidents will be traveling to Venezuela, Peru, and Colombia.

[Reporter] "Do you think this postponement will affect the interests of the ADOC, especially regarding the 20 August plebiscite?

[Endara] "They will be back by Wednesday. That means we still have time.

Ecuador's Cordovez on Dialogue

PA0508043889 Panama City Circuito RPC Television in Spanish 2320 GMT 4 Aug 89

[Interview with Ecuadoran Foreign Minister Diego Cordovez by unidentified reporter; date and place not given—recorded]

[Text] [Cordovez] First of all, we must stress what the purpose of the [OAS] mission is right now. The issue of the formulas for agreement is something that was included in the previous mandate given to the mission. At that time, we were interested in seeing how the serious communications problems—the emotions that are normal under these circumstances, the tensions—might be dissipated in some manner based on some formulas for agreement. Those were the words used in the mandate. In other words, we were on our way to solving the crisis, always bearing in mind that the Panamanians are the ones who must solve the crisis.

Having studied the situation, we thought that the best and only manner for peacefully solving this crisis.... [changes thought] In the dialogue yesterday, a term was used and I think it is a very good choice of words; therefore, I will repeat it. Someone said that the solution should be peaceful, democratic, and Panamanian. That is the kind of solution we want to find. We then suggested the idea of a tripartite dialogue. We are very satisfied, and we think it is noteworthy that the Panamanians have accepted the system. We notified the OAS of this, and the OAS ended our mandate. The last resolution terminates our mandate, as far as seeking formulas for agreement is concerned.

However, in the report the three sectors had asked that we collaborate and assist the parties in the process of negotiation. The OAS then unanimously authorized the mission to return to Panama for the process of the negotiation. This is why when I arrived I said—and you will recall this—that if the dialogue was not resumed, I thought there was no reason for our returning to Panama, and that the only thing we had to do was to withdraw because there was no negotiation process. Shortly after my arrival, I held a very cordial, constructive, and brief meeting with the opposition. We noticed right away that the opposition had the same willingness that had led them to accept the original proposal. As you have observed, next door to us, a truly significant meeting in the history of Panama is being held.

[Reporter] Mr Foreign Minister, there are several proposals in this tripartite dialogue that have been presented by COLINA [National Liberation Coalition] and by the Executive Branch. However, ADOC [Civic Democratic Opposition Alliance] insists on its stand of demanding victory in the 7 May elections and the withdrawal of General Noriega in order to achieve democracy in Panama. What is your opinion in this regard?

[Cordovez] Contrary to what others think, I do not voice any opinion on the substance or background of the stands adopted by the parties, because that would be like suicide. As a mediator, a friend, a friendly arbitrator—and that is the description we would like to keep for this mission—we cannot voice any opinion on the stands of the various parties. This is something that was misinterpreted, but it has been clarified. Some sectors here thought that we—the OAS foreign ministers in Washington—had expressed an opinion about the 7 May elections. That is absolutely impossible. We did not say anything at all aboaut the elections in regard to whether they were valid or not. What we did propose was a mechanism for solving the crisis, which is what worries us.

The Panamanians are the ones who must solve that problem, and that is why there is a dialogue. That is why it is so important that the dialogue continue. One of the things that I brought up yesterday was the need for the dialogue to continue without being subjected to the presence of the OAS mission here.

[Reporter] What is your opinion concerning the report and the declaration issued at the last OAS foreign ministers' meeting?

[Cordovez] My opinion is that the resolution is neither ambiguous nor contradictory. I have examined the OAS declaration. First of all, it speaks of the agenda of the dialogue. The agenda of dialogue was established by a joint agreement of the parties involved, and this agenda refers to the withdrawal of Gen Noriega. The representative of the Executive Branch to the dialogue has not evaded or rejected the discussion of that topic at all. Therefore, the issue is being discussed. It was discussed yesterday for quite a while during the day. As we said in the report, that is absolutely true. We said that Gen Noriega staying in the post of commander of the Panama Defense Forces [FDP] is something that.... [changes thought] I have seen for myself that both his friends and opponents think that this should be defined. That is the way we mentioned it in the report.

[Reporter] Mr Foreign Minister: What formula do you think would be ideal for solving the Panamanian problem?

[Cordovez] I think that the ideal formula for solving the Panamanian conflict—which is a very complex and grave conflict—is the only formula that can be adopted in a case like this, that is, a national agreement. That is precisely the objective that has been defined for the dialogue. I feel a national agreement should be ample in the sense that it should include an accord on all the points that all of the parties have identified as pertinent. That is what has already been achieved on the agenda. As I said earlier, the agenda includes all of the topics that one or the other—government, opposition, COLINA—think should be discussed. Once all of these topics are discussed, there will be an ample agreement, because it will include the consensus. Decisions in the dialogue are made through consensus. Everything that is included in the national agreement will be included by consensus. By the same token, everything that is excluded is excluded based on consensus.

[Reporter] We are very close to 23 August. A negotiated solution is being sought through this special foreign ministers' mission. Suppose such a solution is not achieved. When you arrived in Panama, you said that there would then be very serious things ahead for Panama. Do you care to give an example?

[Cordovez] I am not going to give you any examples. However, I will tell you that I stand firm in believing that on 1 September there will be a political void in Panama. Some call it a constitutional void, others call it a legal void, and so forth. I believe there will be is a political void. A nation cannot be left in a political void. In order for a state to function, it must have certain mechanisms that will make it function. Consequently, the situation would be extremely grave.

In addition, as you know, within this crisis there is an external factor that we foreign ministers have included in the original resolution of the OAS. This is also reflected on the agenda of the dialogue. There is a conflict between Panama and the United States. The United States holds very harsh stands concerning the Panamanian conflict. The United States has entrusted us, together with the other Latin American foreign ministers, to make an effort to help the Panamanians solve their crisis in a peaceful manner. I think that if this effort—the dialogue—fails, the United States will maintain the same harsh stand it has maintained up until now.

Second Round Ends

PA0408234889 Panama City Telemetro Television in Spanish 2323 GMT 4 Aug 89

[Text] The second round of the tripartite dialogue that was resumed yesterday in the presence of the OAS mission ended a few minutes ago.

During this afternoon's session, it was agreed to suspend the dialogue until Thursday, 10 August, because two of the three opposition representatives—Guillermo Ford and Ricardo Arias Calderon—have to leave the country soon due to previously scheduled visits abroad.

Solis Palma To Attend Bolivian Inauguration

PA0508011789 Panama City Circuito RPC Television in Spanish 2300 GMT 4 Aug 89

[Text] Manuel Solis Palma, minister in charge of the Panamanian Presidency, left today for Bolivia to attend the inauguration of Jaime Paz Zamora, the new Bolivian president. He is accompanied by Deputy Foreign Minister Norberta Tejada and Francisco Rodriguez, comptroller general of the Republic.

Paz Zamora will be inaugurated as the new Bolivian president on 6 August. He is a social democrat and lived in exile in Panama with his family for several years.

Before his departure from the FAP [Panama Air Force] air terminal, Solis Palma was interviewed by the local and foreign press. Here are his statements:

[Begin recording] [Solis] Any incident causing or resulting in the death of anyone is regrettable. Nevertheless, I do want to state that this was something that was being sought, that was being provoked. I would ask Panamanians and all sectors to avoid provocations because one never knows what the outcome will be.

Regarding the dialogue, let me state that its course is quite positive. I have no reports about the developments today, but I think that, overall, everything is proceeding satisfactorily.

[Reporter] Before dawn today, the U.S. Army carried out some night maneuvers. What do you think about this, now that the OAS is here in Panama and requests are being made to lift the sanctions and other things to try to...

[Solis, interrupting] Well, as you can see, each time the OAS comes here the United States makes a show of this kind. I imagine this is to intimidate or to give the impression that whatever the OAS does is secondary compared to the forces they have. I cannot fully understand the objective of this strategy, and this is happening quite often when (?we deal) with people who have very specific objectives.

[Reporter] Do you plan any specific action regarding Panama University, like a definitive closing?

[Solis] You realize that, as an autonomous institution, Panama University establishes its own mechanisms, modus operandi, and decides what to do. We would advise that steps be taken to halt the current state of disarray at the university. [end recording]

Noriega Meets U.S., European Warfare Experts

PA0508183789 Panama City Televisora Nacional in Spanish 2300 GMT 5 Aug 89

[Text] General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces [FDP], met last night with U.S. and European experts, who are here visiting Panama. These experts will give lectures to various community groups on the low-intensity war waged by the U.S. Government against our country.

Carlos Duque Jaen, former [National Liberation Coalition, COLINA] presidential candidate and Democratic Revolutionary Party president; FDP High Command officers; and prominent COLINA members from the majority party also attended the meeting, which was held in a cordial atmosphere. The lecturers were given the opportunity to visit the former residence of General Omar Torrijos Herrera.

Describing the purposes of this kind of war, Dr Carlos Rico, an international expert in this subject said that the main objective of low-intensity warfare is to weaken internal resistance and national unity so that a unified front against the foreign aggressor cannot exist.

[Begin Rico recording] Low-intensity warfare is an alternative strategy used by the United States when it cannot deal with the conflict in a strictly conventional way—that is, an army fighting against another army with very clear battle objectives. This low-intensity conflict is of low intensity for the United States; however, what is a low-intensity war for the United States is a very high-intensity war for those on the opposite side. The intent is to try to weaken internal resistance, national unity, and the national economy to prevent the target country from organizing a united front to confront aggression.

Therefore, this new kind of low-intensity war is a high-intensity war for us. Moreover, I would say that it is an all-out war. It is a war that not only involves military or paramilitary actions; it also includes ideological activities, an economic blockade, a great emphasis on political propaganda, diplomatic efforts to convince other governments of the virtues of the U.S. Government's position, etc. The concept of low-intensity warfare means simply that the United States is unable to launch a direct military invasion. Therefore, the United States has to resort to methods that, although they do not involve the use of bullets or grenades, end up being equally harmful and destructive. [end recording]

Arias Accused of Inciting Student Disturbances

PA0608130689 Panama City LA REPUBLICA in Spanish 4 Aug 89 pp 1, 8

[Text] Yesterday's student disturbances around the University of Panama confirm the news item published in our 30 July edition, in which we said that the Christian Democratic Party's [PDC] Ricardo Arias Calderon had obtained $1 million from his last trip to the United States to continue sabotage work against President Manuel Solis Palma's government.

The orders Arias Calderon received in Washington included the mobilization of high school and University of Panama students, to whom money had already been given, to give the impression that the country is in great chaos.

Arias Calderon's plans were followed, which included waiting for the start of the tripartite dialogue sponsored by the OAS foreign minister's commission.

There were also plans for burning vehicles belonging to government entities and to individuals with government ties, for which specialized gangs were to be hired.

It is also known that some of the money has already been distributed among university and private high school students in Panama City, as well as to professors and teachers who were also to help destabilize the country.

OAS 'Laments' Disturbances

PA0408170989 Panama City Domestic Service in Spanish 1644 GMT 4 Aug 89

["Press communique" issued by the OAS foreign ministers delegation in Panama City on 4 August]

[Text] The OAS delegation deeply laments yesterday's violent events involving University of Panama students. These events make even more evident the urgent need for a national agreement among Panamanians as soon as possible to eliminate the tensions and to consolidate a climate of peace and harmony.

University Reaction to Incidents

PA0508004789 Panama City Circuito RPC Television in Spanish 2300 GMT 4 Aug 89

[Text] Panama University authorities met today to investigate yesterday's incidents in full detail. Following the meeting, the university authorities released a statement in which they lodged a strong protest over yesterday's fatal incidents at Panama University.

[Begin Miguel Candanedo, Panama University secretary general, recording] The violent death of Luis Antonio Gonzalez Santamaria, student of the Law and Political Science School, on the univesity campus and the serious injuries sustained by other members of the university alumni compel us to strongly condemn the inexcusably repressive actions taken by the police against groups of university students who were expressing their discontent over the country's situation.

In view of the seriousness of these developments, the university immediately opened an investigation. Once again, we reiterate our rejection of violent methods and the excessive and indiscriminate use of toxic gases and birdshot by the police forces.

In this regard, we note with great concern an escalation of actions against the university's autonomy, which is expressed through such steps as the police raid on the university campus on 3 August; the destruction of property belonging to university students; the occupation of the installations of the People's University of Cocle; the unfounded and slanderous campaigns in some media in a bid to destroy the reputation of our institution, its authorities, and the university governing bodies; and certain rulings by the Supreme Court of Justice with questionable legal foundation in matters of discipline.

It is painful that a 21-year-old university student should have been killed by birdshot unnecessarily fired by antiriot police who, entering the university campus, took brutal action against a defenseless student.

Finally, we repeat our statements to the country that it is urgent to adopt measures aimed at promoting national understanding and overcoming the current political crisis, which is keeping our country divided and in conflict and the university in a state of unrest and uncertainty which is preventing us from fully complying with our educational and cultural mission. [end recording]

Finally, Panama University Rector Abdiel Adames pointed out that no decision has been adopted yet about reopening academic activities on 7 August at the university.

Ministry Issues Warning

PA0408184489 Panama City CRITICA in Spanish 4 Aug 89 pp 1, 13

[3 August communique issued in Panama City by Government and Justice Ministry]

[Text] As is known, political elements have infiltrated certain sectors to disturb public order in recent weeks. These politicians have used high school and university student groups to attain their destabilizing goals. They have financed acts of vandalism, which have increased since the OAS mission arrived in the country. The foreign ministers in this mission came to the country to help us solve the country's political crisis.

In recent hours, the daily routine of the university campus and its surroundings were disrupted by misfits who also made personal verbal attacks against Ecuadoran Foreign Minister Diego Cordovez, who is presently in the country.

Due to the climate of violence and disrespect, the Government and Justice Ministry— the constitutional guarantor of citizens' peace and security—firmly warns that persons who continue to promote disruptive demonstrations of this kind will be punished to the full extent of the law.

Panama City, 3 August 1989
Peace is beautiful.
Peace does not produce tombs.
Let us be bearers of peace.

University Confirms Death

PA0408200789 Panama City LA ESTRELLA DE PANAMA in Spanish 4 Aug 89 p 1

[Communique Issued By National University in Panama City on 4 August]

[Text] The university authorities have been deeply disturbed by the acts of violence staged yesterday, Thursday, 3 August, on the main university campus which resulted in the death of one student and injuries to several others in clashes with the Defense Forces. University administrative officials and the deans of the different schools have decided to suspend classes and administrative duties on Friday, 4 August, Saturday, 5 August, and Sunday, 6 August in all its branches throughout the country.

University authorities are currently studying the situation and will issue a statement in the next few hours. The meeting is being chaired by University Rector Abdiel Adames.

Attorney General on Casualties

PA0508012989 Panama City Televisora Nacional in Spanish 2345 GMT 4 Aug 89

[Statement by Attorney General Carlos Villalaz in Panama City on 4 August—recorded]

[Text] Following the 3 August events at the University of Panama's campus, the Panama Defense Forces [FDP], particularly the homicide department of the National Department of Investigation [DENI], the attorney general's office, and the assistant district attorney's office began an investigation to clarify the events which occurred yesterday at the University of Panama.

So far we can report that, as a result of the disturbances at the University of Panama's campus, Luis Antonio Gonzalez Santamaria was wounded and died at the Bellavista Clinic . His identity card number is 8-321-206 and he was born on 11 June 1968. According to the information this office has, this young student was taken to the Bellavista Clinic by two persons, who left him there—and he was already in a condition...[changes thought] and he was already dead.

We are investigating why this young student was taken there and no information was left. When Gonzalez Santamaria's body was taken from the Bellavista Clinic to the Santo Tomas Hospital morgue it had no identification papers. His relatives showed up today and identified him. The identification was confirmed by the university's secretary, Dr Rafael Gonzalez. He agreed that it is the same person.

We, meaning the Attorney General's Office, are quite interested in learning, first of all, how the youth arrived at the clinic and, second, exactly where he was found, meaning from where in the university he was taken. We must determine who are the possible culprits of the action within the university's campus. In addition to Luis Antonio Gonzalez Santamaria, Armando Daniel Herrera was also taken to the Bellavista Clinic. Herrera is 22 years old, with identity card number 8-150-1719, and he lives in Nuevo Veranillo. He was in the Law Faculty area and he was also wounded. According to the information we have, he is undergoing an eye operation at a private hospital in this city. According to the preliminary information we have, Mr Armando Daniel Herrera earns his living by selling fruit juices and soft drinks at the University of Panama.

We also have information that an administrative employee was taken to the Social Security Board Medical Complex. He is Victorino Flores Hernandez, who works as a messenger, and his identity card number is 8-272-558. He was also wounded during yesterday's events. Flores lives in Via Tocumen, house number C-15, and he is currently receiving medical attention at the Social Security Board Medical Complex.

The Attorney General's Office and the DENI are interested in learning who is organizing this type of disturbance on the university campus so we can find the culprits of these actions and learn what is behind all this manipulation of the students. We have made no arrests so far because we have had little support from the university authorities in gathering information. The university authorities will be summoned through the channels established by the penal law in Panama, so that they may cooperate and help clear up these events. According to the law, any person who has information on a case must help enforce justice so that these actions are appropriately cleared up.

Editorial on Student Death

PA0608130789 Panama City LA REPUBLICA in Spanish 4 Aug 89 p 4

[Editorial: "In Search of Subversion"]

[Text] This newspaper duly reported that the so-called ADOC [Civic Democratic Opposition Alliance] had plans to carry out subversive activities in Panama, even before the second foreign ministers' meeting in Washington. The disturbances were to coincide with the OAS mission's arrival to resume the dialogue. The ADOC succeeded by carrying out activities at high schools and working with opposition groups at the two universities.

The opposition accomplished its goal with small political groups at the University of Panama, the Arts and Crafts School, and the National Institute.

Education authorities worked hard with high school student leaders, parents, and teachers in an effort to keep the students in their classrooms, but groups at the University of Panama's law and communications schools insisted on protesting against the OAS commission, even though the conflicting sides had already taken their places at the negotiating table.

Yesterday the university students took to the streets, closing off Bolivar Avenue and Manuel Espinosa Batista Street, the latter adjacent to the university. When the Defense Forces arrived, the students fled to the campus and from there attacked the policemen.

It has been reported that gunshots and bomb blasts were heard, and that a youth, Luis Gonzalez, was taken to the Bella Vista Hospital before the disturbances began.

All of these maneuvers constitute a prelude to what the opposition can do with the million balboas they brought from Washington to promote disturbances in the country and to force the failure of the meeting that is under way in the presence of the OAS commission.

Of chief interest here is not an effort to seek agreements or bring together the opinions expressed but to create the chaos that will allow the opposition to attain power at any cost.

The talks have continued at the Vallarino Building, and they are difficult. The ADOC's position is radical but the visiting foreign ministers are optimistic. The problem is that personal ambitions must be overlooked in favor of a national agreement.

JPR Head Says U.S. Atomic Weapons in Country

PA0608222489 Panama City Televisora Nacional in Spanish 2300 GMT 5 Aug 89

[Text] The People's Revolutionary Youth [JPR] will hold a march for peace to the U.S. Howard Air Force Base on 6 August to mark the 44th anniversary of the Hiroshima bombing and to repudiate U.S. Army South military maneuvers on Panamanian soil. JPR Secretary Pastor Falconett provided details:

[Begin Falconett recording] With this activity, which will begin at 1000, we want to warn Panamanians about the consequences of a war against our country; a war that is forseen because of the various aggressive actions that the Southern Command has carried out against our people.

We wish to point out that a war would bring about horrible consequences for the entire population and the destruction of our natural and economic resources. In sum, all Panamanians would face a very somber future.

Not only Panamanians, but also the world community must reject all Southern Command warmongering pressure and threats, and even more so now because we know that that command is equipped to wage a nuclear war. We know that Howard Air Force Base landing strips have been fitted to accomodate planes carrying atomic weapons and that the Panama Canal has silos with atomic weapons. [end recording]

Dignity Battalion in Herrera Declared 'On Alert'

PA0608145989 Panama City CRITICA in Spanish 5 Aug 89 p 7

["Resolution" issued by the Herrera Province Dignity Battalion on 29 July]

[Text] Whereas:

1. U.S. imperialism has intensified its intervention in our territory through the Southern Command over the past few days according to a plan supported by the Pentagon;

2. Violations to the Torrijos-Carter treaties once again confirm the arrogant and excessive escalation of actions against our territory that harm our sovereignty and peace;

3. U.S. imperialism, together with the local and inconsistent oligarchy will intensify its actions as 1 September [date on which the Constitution calls for the installation of a new government] and the deadline for the dismantling of U.S. military bases in Panama approach.

We resolve:

1. To strongly condemn the U.S. Southern Command's arrogant and irresponsible military activities in our territory, including incursions by artillery aircraft over the Azuero Penninsula and the interior of the country in general;

2. In face of this critical situation, the Herrera Province Dignity Battalion remains vigilant and on alert to repel any attempt to invade our soil;

3. As a moral duty and proof of respect, we remember the 8th anniversary of the death of our leader Omar Torrijos, honoring his memory at this critical hour with the conviction that we are echoing his revolutionary and anti-imperialist teachings in defense of our homeland.

Join us to defend our homeland. For Panama, our lives.

FDP, Dignity Battalions Hold Joint Exercise

PA0408163889 Panama City MATUTINO in Spanish 4 Aug 89 p 1

[Text] The "Oust the Intruder" [Zape al Intruso] military exercise starts today. This national defense exercise involves the Panama Defense Forces [FDP], the Dignity Battalions, the military reserves, and the Panamanian people.

The exercise, which will include air, sea, and land maneuvers will end at 1000 on 11 August with a special event at the Revolution Stadium.

The military exercise will take place in and around all of the country's main cities. The people in general, and civilians in particular, are asked not to be alarmed by the mobilization of armed troops. They also are urged to heed instructions and public announcements and to carry out their civic duty of joining the national defense exercise.

As part of the exercise, a nationwide recruitment drive for the Dignity Battalions will take place on 5 and 6 August. By simply showing his or her personal identity card, any Panamanian can join the Dignity Battalions and receive military training.

The recruitment centers are:

—In Panama City, Plaza de Francia or Ascanio Arosemena Square.

—In the countryside, the headquarters of each military zone.

'Hundreds' Join Battalions

PA0608182789 Panama City Televisora Nacional in Spanish 2300 GMT 5 Aug 89

[Text] Panamanian patriots signed up en masse with the Dignity Battalions. Here are the details.

[Begin recording] Hundreds of Panamanians joined the Dignity Battalions today. The recruitment of these nationalist commands got under way at the Ascanio Arosemena Plaza. They will defend the fatherland against the imperialist aggression, as part of the "Oust the Intruder" national mobilization, an operation which has the support of the Panama Defense Forces [FDP] and FDP reserve members.

Citizens, men and women, from all sectors of the metropolitan area responded to the call by the Dignity Battalions Coordination Command, in view of the escalation of imperialist aggression continuing with a new phase of increased provocation in its economic, pscyhological, and military war against our country. Since the early morning hours, citizens went to join the ranks of national defense in the event of an enemy attack.

[First unidentified speaker] I am signing up with the dignity battalions, because as a Panamanian citizen, defender of my fatherland, and based on Article 306 of the Constitution, I am dutybound to defend the fatherland at this moment when it is attacked by U.S. imperialism, which does not respect and does not consider us to have been a friendly country. This has been to no avail, because imperialism has abused us and trampled upon us. We must go out and defend ourselves, before we fall.

[Second unidentified speaker] I am here to defend the sovereign dignity of my fatherland.

[Third unidentified speaker] I am dutybound and sense a call from the fatherland, which is attacked today by the intruder U.S. forces. I am a citizen, a professional today, thanks to the resources of the state and our fatherland and those who at a given moment offered their support. I see it as a responsibility of all Panamanians to respond to this call today.

[Fourth unidentified speaker] As an educator, as a Panamanian woman, and above all, as a Panamanian mother, we are witnessing the constant threats of aggression by the United States in our country. We are aware that all Panamanian patriots who love our fatherland must sign up to struggle to achieve our true sovereignty and national liberation.

[Fifth unidentified speaker] I cannot bequeath wealth or bank accounts to my children. I can, however, leave them a free, sovereign fatherland.

[Sixth unidentified speaker] I have to defend my fatherland, and this is the moment to do so.

[Seventh unidentified speaker] I want to join up because I am Panamanian.

The national defense operation "Oust the Intruder" will continue until Friday, 11 August, when there will be a mass ceremony with the people at the Revolution Stadium. This was explained by Commander Benjamin Colamarco [of the Dignity Battalions].

[Colamarco] Within the framework of that operation and to confirm the state of readiness of volunteer patriots and members of the Dignity Battalions, we have included a reenlistment phase. A large number of Panamanian patriots did not have the opportunity on previous occasions to sign up with the 18 Dignity Battalions. Today we have begun a new reenlistment phase at the national level. We will not speculate on the number of recruits we hope to get, because that is not a good strategy at this point. What we want, when faced with the possibility of an imminent U.S. invasion, is to have personnel who have received at least basic training be able to repel any such action. [end recording]

Further on Recruitment

PA0608182989 Panama City LA ESTRELLA DE PANAMA in Spanish 6 Aug 89 p A-1

[Text] The first phase of the national defense operation "Oust the Intruder" began yesterday, with the recruitment of new volunteers to the Dignity Battalions, which will participate together with the Panama Defense Forces [FDP] in military maneuvers that will be held beginning tomorrow until Friday throughout the country. In response to an enlistment call, hundreds of Panamanians of all ages went to the Ascanio Arosemena Plaza to sign up with the Dignity Battalions. Today, the enlistment of new volunteers will continue as of 1000.

Ada Jimenez, 20, told LA ESTRELLA DE PANAMA that she decided to join the brigade ranks because "political ideologies must not interfere with the fatherland's defense, which must be based on the conviction that one is ready to die for the fatherland in which one was born."

Persons of different social levels gathered at the "Ascanio Arosemena" plaza to fulfill the recruitment requisites to immediately join the people's brigades which comprise the 18 battalions.

Architect Enrique Thompson, one of the leaders of the Dignity Battalions, said he was satisfied with the first-day enlistment response. He said that today they plan to enlist over 1,000 persons.

It is estimated that the members of the Dignity Battalions, created approximately a year ago, number 10,000.

"Oust the Intruder" will include volunteer brigade members in its task forces in exercises planned for national defense throughout the country, based on the premise that the territorial defense of the isthmian territory is the task of all Panamanians.

These maneuvers will permit learning the state of readiness of the Panamanian brigades and troops in the event of a possible foreign military aggression.

Air Force Conducts Exercise in Tocumen

PA0508193489 Panama City Televisora Nacional in Spanish 2300 GMT 4 Aug 89

[Text] Panamanian Air Force [FAP] units and Tocumen area volunteers today carried out the exercise called Gray Hawk to the Year 2000, which began at La Mesa de San Martin and ended at FAP headquarters. The exercise was headed by FAP Chief Major Juan Luria. Among the FAP units participating in this maneuver, which was carried out to remain alert to U.S. military aggression, were the 1st Airborne Military Group and the Training, Rescue, and Attack Squad. During this exercise, FAP units toured the areas affected by yesterday's floods and attempted to help as much as possible those affected by the floods.

Argentina

Austral Reportedly Printed 'Illegally'

PY0308174689 Buenos Aires BUENOS AIRES HERALD in English 3 Aug 89 p 1

[Text] (DYN)—Approximately 40 percent of the austral bank notes circulating in Argentina were printed illegally in the National Mint by a band of forgers recently uncovered by the Federal Police, according to a high government source.

The source added that the high-denomination bank notes circulating illegally amounted to between 60 and 70 billion autrals.

On Tuesday night Vice President Eduardo Duhalde called the forgery, consisting also of bonds printed for the provinces of Tucuman, La Rioja and Salta, "much more serious than we thought previously" and estimated that it could involve phony currency and bond notes worth the equivalent of billions of dollars.

Other sources revealed that the counterfeit operation was carried out entirely by National Mint workers, who were given paper, chemicals, and other materials by other Mint employees so they could better falsify bonds and currency.

In view of this situation it is impossible to distinguish between the official and illegal bank notes, which entered the market under normal and customary conditions. This would prompt the government to include the forged australs in the official money supply.

Given the figures mentioned above, the counterfeit australs could certainly be considered one of the sources of hyperinflation in the last few months.

The procedure used by the forgers—six have been arrested—consisted of simply duplicating several series of bank notes printed for circulation, thus making it impossible even for experts to tell the legal australs from the forged ones.

Police investigators could not determine how the forgers managed to sidestep the Mint's stringent controls, which led them to believe that practically the whole entity's structure was involved in the operation.

Among those arrested is Eduardo Petronzi, director of the Mint's chemical lab. According to sources, Petronzi made several trips to the interior of the country, presumably to sell bonds. The frequency of these trips alerted the authorities, as Petronzi's normal salary could not cover the costs of all the trips made.

Report Termed 'Exaggeration'

PY0408184689 Buenos Aires BUENOS AIRES HERALD in English 4 Aug 89 p 1

[Excerpt] (DYN-NA)—President Carlos Menem yesterday said a press report suggesting that the National Mint forgery involved 40 percent of the money in circulation was "whimsical," while Vice President Eduardo Duhalde confirmed that the bonds and bank notes issued by the gang of counterfeiters "are legal tender" and called on the population to "relax, because there won't be any trouble."

Duhalde also said it was "an exaggeration to talk of 40 percent of the money supply" but admitted that the forgery was "very serious."

The "high government source" credited with coming up with the 40 percent figure was reportedly a senior State Intelligence Secretariat (SIDE) official who communicated the information to a local news agency.

Central Bank Vice President Antonio Erman Gonzalez confirmed Duhalde's assertion that the provinces "cannot ignore the value of the forged bonds" because the money was counterfeited in the National Mint and thus is legal tender. [passage omitted]

Italy Grants Credit for 'Social Emergency'

PY0408040889 Buenos Aires TELAM in Spanish 0229 GMT 3 Aug 89

[Text] Buenos Aires, 3 Aug (TELAM)—The Italian Government has granted Argentina a credit of $150 million for the social emergency. The credit will be used to purchase medicine and equipment, to implement public projects to create jobs, and for other purposes.

"This is a valuable gesture of support for the institutions of our country during the social emergency we are experiencing in Argentina," said Foreign Minister Domingo Cavallo upon making the announcement in the Government House after meeting with President Carlos Menem.

The minister said that "in a way the credit is a donation. The money for medicine and equipment and the aid in the form of merchandise and goods to promote well-being will not be repaid." He added: "It is a concessional loan for a very long term and very low interest."

Cavallo also said that the Italian Government is "studying the procedures for granting a bridge loan."

Cavallo also revealed that he had received "a message of thanks for the congratulations I sent through the Brazilian Embassy to the new British Foreign Secretary," and added that John Major "acknowledged this message through the Swiss Embassy."

"These gestures reflect the position the two nations are adopting for the sake of reestablishing normal relations, as President Carlos Menem has been proposing," Minister Cavallo emphasized.

Minister Cavallo finally said that the Italian Government's economic support stands as a "positive gesture of the good disposition that has been reiterated by this friendly nation, which is linked to the Argentines not only by cultural but also by family bonds."

New Army Inspector General Installed

PY0408165389 Buenos Aires Domestic Service in Spanish 1600 GMT 4 Aug 89

[Text] Army Chief of Staff General Isidro Caceres today installed the new Army inspector general, General Martin Bonet.

Bonet replaces General Martin Arrillaga, who recently retired following the formation of the new Army leadership.

Bolivia

Vice President Designates Senate Board Members

PY0408034689 La Paz Radio Fides in Spanish 2330 GMT 3 Aug 89

[Summary] Vice President Julio Garrett has sworn in the new Senate board. The new members are: MIR, Movement of the Revolutionary Left, member Gonzalo Valda, the Senate president; ADN, Nationalist Democratic Action, member Jorge Landivar, the first vice president; MIR member Jorge Barrientos Zapata, the second vice president; MIR member Leopoldo Fernandez, the first secretary; MIR member Jose Luis Carvajal, the second secretary; CONDEPA, Conscience of the Fatherland, member Jose Taboada, the third secretary.

Reportage on Inauguration Ceremony in La Paz

Paz Zamora Elected President

PY0508113889 Madrid EFE in Spanish 1059 GMT 5 Aug 89

[Text] La Paz, 5 Aug (EFE)—The Bolivian Congress early this morning proclaimed Jaime Paz Zamora, leader of the Movement of the Revolutionary Left, the new president of the country. Paz Zamora will be inaugurated tomorrow, 6 August.

Paz Zamora was elected during the first round with 97 votes out of the 156 congressmen in attendance. He won with the support of the Nationalist Democratic Action, which is led by General Hugo Banzer Suarez and with which he will form a coalition government.

Ossio Elected Vice President

PY0508123789 La Paz La Red Panamericana in Spanish 1130 GMT 5 Aug 89

[Excerpt] After a 14-hour session, the Bolivian Congress early this morning proclaimed Jaime Paz Zamora, leader of the Movement of the Revolutionary Left, the new president. Luis Ossio Sanjines [of the Christian Democratic Party] was named the new vice president.

[In a similar report, Madrid EFE in Spanish at 1147 GMT on 5 August reports that "MIR vice presidential candidate Gustavo Fernandez withdrew his candidacy to allow Ossio's election."]

Panamanian President Attends

PY0508214889 Madrid EFE in Spanish 2102 GMT 5 Aug 89

[Text] La Paz, 5 Aug (EFE)—Panamanian President Manuel Solis Palma said in La Paz today that Bolivia's "consolidation of its democratic process is an example to Latin America."

Solis Palma arrived in La Paz on 4 August accompanied by 35 high-ranking members of the Armed Forces, congressmen, members of the Revolutionary Democratic Party, and members of other Panamanian labor, civic, and juridical institutions. The delegation will attend the Bolivian inauguration on 6 August at 1500 (1900 GMT).

"The Panamanian Government has closely followed the Bolivian political process, and one of the satisfactions that we have felt is the example of the consolidation of democracy through accords between parties," the president said.

"Bolivia and Panama are united because we are brothers in history and because we, as Latin American countries, have common problems," he added.

The Panamanian president was welcomed by Jorge Gumucio, Bolivian deputy foreign minister, and by members of the Panamanian Embassy in La Paz.

Early today the Bolivian Congress proclaimed Jaime Paz Zamora leader of Movement of the Revolutionary Left (MIR), and Luis Ossio Sanjines, leader of the Christian Democratic Party, new Bolivian president and vice president, respectively.

Paraguayan, Uruguayan Heads Arrive

PY0508235489 Madrid EFE in Spanish 2319 GMT 5 Aug 89

[Text] La Paz, 5 Aug (EFE)—The presidents of Paraguay and Uruguay, Andres Rodriguez and Julio Maria Sanguinetti, arrived today in La Paz to attend tomorrow's presidential inauguration of Jaime Paz Zamora. They traveled from Asuncion to La Paz aboard the same plane.

The two presidents arrived in La Paz accompanied by their respective delegations, and they surprised the communications media because no one knew they were coming together.

The two presidents were welcomed at "El Alto" Airport by Bolivian Vice President Julio Garrett Ayllon. After reviewing a company of the Army Aviation Military Police, they were declared illustrious guests of La Paz.

The delegation then went to downtown La Paz. The Paraguayan president and his wife went directly to the government palace to meet with President Paz Estenssoro, while Sanguinetti went to the hotel where he will stay.

Today both Andres Rodriguez and Sanguinetti will meet separately with President Paz Estenssoro and with President-elect Jaime Paz Zamora.

The Spanish delegation, headed by Rosa Conde, minister and government spokeswoman, will also meet today with Paz Zamora. Conde will hand the president-elect a congratulatory message from Spanish King Juan Carlos I.

Peruvian President Attends

PY0608012689 Madrid EFE in Spanish 0022 GMT 6 Aug 89

[Text] La Paz, 5 Aug (EFE)—Peruvian President Alan Garcia today arrived in this capital to attend tomorrow's ceremony marking the inauguration of Jaime Paz Zamora as new Bolivian president.

The delegation headed by Alan Garcia is made up of Peruvian senators and deputies. They were welcomed at the El Alto Airport, in La Paz, by Bolivian Vice President Julio Garrett Ayllon.

According to sources from the Peruvian Embassy in La Paz, the Peruvian presence in the transfer of power in Bolivia shows the "excellent relations prevailing between friendly peoples and governments that have been united since pre-Colombian times."

On arriving at the airport, the Peruvian president again confirmed his habit of "breaking all protocols" by making impromptu remarks to the local media and conveying the "admiration and feelings of friendship from the people of Peru" to the Bolivian people.

Garcia said he cultivates a "fraternal friendship and very close political ties" with Paz Zamora, and recalled that in 1979 he accompanied Paz Zamora and former President Hernan Siles Suazo on a trip through the cold Peruvian mountains to Bolivian territory, so that "avoiding the control of the dictatorship at that time they could again bring their message to the Bolivian people."

Paz Zamora Sworn In

PY0608214289 Madrid EFE in Spanish 2121 GMT 6 Aug 89

[Text] La Paz, 6 Aug (EFE)—Jaime Paz Zamora took the oath of office as the new Bolivian constitutional president for the 1989-93 term at 1715 (2115 GMT) [as received] today during a ceremony held at the Bolivian Congress.

Paz Zamora, head of the Movement for the Revolutionary Left, was designated president by Congress yesterday thanks to an agreement with the Nationalist Democratic Action, a right-wing party headed by General Hugo Banzer.

New Cabinet Appointed

PY0608012889 Madrid EFE in Spanish 0100 GMT 7 Aug 89

[Text] La Paz, 6 Aug (EFE)—New Bolivian President Jaime Paz Zamora today appointed his new cabinet comprising 18 ministries. The new Bolivian cabinet comprises 8 members of the ruling Movement of the Revolutionary Left (MIR) and 10 members of its ally, the Nationalist Democratic Action (ADN).

Here are the members of the new cabinet:

Foreign Affairs and Worship: Carlos Iturralde Ballivian (ADN)
Interior, Migration, and Justice: Guillermo Capobianco Ribera (MIR)
Minister of the Presidency: Gustavo Fernandez Saavedra (MIR)
National Defense: Hector Ormachea Penaranda (ADN)
Finance: David Blanco Zavala (ADN)
Planning and Coordination: Enrique Garcia Rodriguez (ADN)
Education and Culture: Mariano Baptista Gumucio (MIR)
Transport and Communications: Willy Vargas Vacaflor (ADN)
Industry, Commerce, and Tourism: Guido Cespedes Argandona (MIR)
Labor and Labor Development: Oscar Zamora Medinacelli (MIR)
Social Services and Public Health: Mario Paz Zamora (MIR)
Mining and Metallurgy: Walter Soriano Lea Plaza (ADN)
Agriculture, Campesino Affairs, and Livestock Affairs: Mauro Bertero Gutierrez (ADN)
Energy and Hydrocarbons: Angel Zaniel Claros (MIR)
Housing and Urban Affairs: Enrique Prada Abasto (ADN)
Information: Manfredo Kempff Suarez (ADN)
Aeronautics: Luis Gonzalez Quintanilla (MIR)
Minister without Portfolio: Guillermo Fortun Suarez (ADN)

The newly appointed foreign minister, Carlos Iturralde, said Bolivia is now submerged in a "new stage" of its political life. He also praised the ADN-MIR agreement that is supported by the "Government of National Unity" based on "the distribution of responsibilities instead of the distribution of government quotas" and on the "need to achieve an agreement."

Paz Zamora, Argentine President Hold Talks

PY0708020889 Buenos Aires TELAM in Spanish 2353 GMT 6 Aug 89

[Text] La Paz, 6 Aug (TELAM)—This afternoon Argentina and Bolivia agreed on the need to achieve a bilateral agreement similar to the bilateral agreement that Argentina signed with Brazil. A Bolivian-Argentine joint commission will be established to achieve this goal. This joint commission is to be comprised of officials from the two countries.

Jaime Paz Zamora, the new Bolivian president, and Argentine President Carlos Menem, who this morning traveled to La Paz to attend the presidential inauguration ceremony, have agreed on the need for such a bilateral agreement.

Highly reliable sources from the Argentine delegation told TELAM today that Menem and Paz Zamora held an extensive meeting at the Brazilian Embassy while the other Latin American presidents were meeting in the gardens of the Brazilian Embassy residence.

Also present at the meeting were IDB Chairman Enrique Iglesias and Jose Luis Manzano, leader of the Justicialist Party bloc in the Chamber of Deputies.

At the end of the meeting, a spokesman told TELAM that Argentina will invest some $4 million to launch this bilateral agreement.

Brazil

Sarney, Nobrega Deny Reports of Dismissals

PY0508011289 Brasilia Domestic Service in Portuguese 2200 GMT 4 Aug 89

[Excerpts] President Jose Sarney, at the suggestion of the national congress, has appointed an interlocutor to discuss the emergency measures against hyperinflation.

On landing at the airbase in Brasilia, returning from Rio de Janeiro, he denied reports that some ministers would be dismissed.

Civil Household Chief Ronaldo Costa Couto has denied reports that Finance Minister Mailson da Nobrega and Planning Minister Joao Batista de Abreu will be dismissed next week. Costa Couto talked about this matter with President Sarney, who just landed at the Brasilia Air Base, returning from a visit to Rio de Janeiro.

Regarding the emergency plan for the economy—which is based on suggestions by political parties, workers organizations businessmen, and economists—President Sarney decided that the civil household chief would be the interlocutor between the executive and legislative branches during discussions on those measures.

President Sarney feels that the most important aspect of the document presented to him by Congress President Nelson Carneiro is the political one. [passage omitted]

During a luncheon with businessmen of the export sector today at the Brazilian Jockey Club, Finance Minister Mailson da Nobrega stated that reports of his possible dismissal are just rumors. He denied that the country's foreign reserves are running too low. He said that export behavior is favorable, and that the way in which export and import contracts are being closed guarantees a surplus of $16 billion for the government this year. [passage omitted]

More on Dismissals

PY0408222189 Rio de Janeiro O GLOBO in Portuguese 4 Aug 89 p 1

[Text] Finance Minister Mailson da Nobrega and Planning Minister Joao Batista de Abreu might be replaced next week according to Brasilia sources. With the failure of the last two economic packages, the replacement of this team—which might also affect Industry and Commerce Minister Roberto Cardoso Alves—the Sarney government may try to reverse the inflationary situation and to secure stability for the political transition period until the new president takes power. President Jose Sarney has already initiated consultations for the selection of the new ministers.

Polish Solidarity Member Wants Political Asylum

PY0308230489 Sao Paulo FOLHA DE SAO PAULO in Portuguese 2 Aug 89 p A-12

[By Carter Anderson; all figures as received]

[Excerpt] Polish electrician Kazimierz Zyskowoski, 38 years of age, who is a militant of Solidarity, has asked Brazil for political asylum. He arrived in Rio de Janeiro from Poland on 28 July on board the ship "Wladyslawowo." He said that he dreams of living here with a salary of up to $800,000 (about 2.8 million new cruzados), free from the political persecution he has suffered for being a militant of solidarity.

Zyskowoski said that in Poland he was earning $18 a month (39 new cruzados). He is skeptical about the reforms being implemented in Poland. He added that he decided to leave his country a month ago, when he learned that the government would investigate his participation in political activities linked to the union.

On 7 July 1989 he boarded a cargo ship belonging to the Polish Government's Polsi Line Oceanicrine company as an electrician. He left his wife and a 15-year-old daughter in Ddynia, 20 km from Gdansk. He hopes to bring them to Brazil if he gets settled here. [passage omitted]

Police Arrest 'Italian Mafia King' Toscanino

PY0408225189 Madrid EFE in Spanish 2226 GMT 4 Aug 89

[Text] Sao Paulo, 4 Aug (EFE)—Today the Brazilian Federal Police reported that "Italian Mafia King" Francesco Toscanino, 55 years of age, was arrested in Sao Paulo.

The police reported that Toscanino has been living secretly in Brazil since 1986 and that he is wanted by the international police for heroin and cocaine traffic.

Brazilian officials presented Toscanino to the press this afternoon in the headquarters of the Sao Paulo Federal Police.

Chile

Cabinet Reshuffle Announced for 16 August

PY0408034489 Santiago Radio Cooperativa Network in Spanish 2300 GMT 3 Aug 89

[Excerpt] President Augusto Pinochet, who is resting on doctor's orders after being operated on for an inguinal hernia 12 days ago, will resume his duties in the second half of August. This announcement was made by Interior Minister Carlos Caceres, who met the president at the presidential residence. The meeting was also attended by Brigadier General Jorge Ballerino, the minister secretary general of the Presidency.

Caceres reported that President Pinochet decided that the cabinet reshuffle will take place on 16 August, and he added that there might be a cabinet meeting at an earlier date—probably on 7 August—at which the ministers will officially submit their resignations.

Caceres added that the agenda of the meeting with the president included the analysis of a two-stage plan that the government will implement until March 1990. The first stage will deal with the presidential and congressional electoral campaign in December, and the second stage will deal with the process for transferring power in March 1990.

When asked whether the plan will take into account the fact that there should be no government intervention in the electoral campaign, Caceres explained that the government's nonintervention specifically refers to the designation of candidates. Nevertheless, the government, he went on, has the right to state its ideas and defend its achievements. [passage omitted]

Errazuriz Registers as Presidential Candidate

PY0408205889 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 4 Aug 89

[Text] Businessman Francisco Javier Errazuriz has registered as presidential candidate. He handed the electoral service a folder containing the signatures of 80,000 people who support his candidacy.

After his registration, Errazuriz and leaders of his command walked around downtown Santiago. His presence on the streets provoked various demonstrations of support from people who crowded around him.

Errazuriz was received at the electoral service by Director Juan Ignacio Garcia, who received the documents with the 80,000 signatures. The signatures had been previously reviewed and checked by a public notary.

After his candidacy was made official, Errazuriz called on opponents to stick to a fair exchange of ideas and to avoid personal attacks. He said he was in good health and ready for the electoral campaign. [Errazuriz suffered a heart attack on 6 May 1989.]

UDI Officially Announces Support for Buchi

PY0508183689 Santiago Domestic Service in Spanish 1700 GMT 5 Aug 89

[Excerpt] The Independent Democratic Union (UDI) party today officially announced its support for presidential candidate Hernan Buchi.

The announcement and corresponding proposal were made by UDI President Jaime Guzman. Guzman's proposal was approved by the 1989 UDI General Convention with lengthy applause.

The 570 UDI conventioneers broke into applause after listening to the proposal of UDI President Jaime Guzman, who stated that Hernan Buchi is the candidate for Chile. [passage omitted]

Foreign Minister Returns From SELA Meeting

PY0408145789 Santiago Domestic Service in Spanish 1030 GMT 4 Aug 89

[Text] Chilean Foreign Minister Hernan Felipe Errazuriz has stated that the 30 July plebiscite contributed to improving the country's image abroad.

Errazuriz made these remarks upon his return to Santiago International Airport from Cartagena de Indias, Colombia, where he attended the 15th meeting of the Latin American Economic System, SELA.

[Begin Errazuriz recording] The recent plebiscite has effectively contributed to improving the country's image, thus adding to the favorable reactions which the political and economic freedoms prevailing in the country have elicited. We view the Latin American situation with concern; it will not be enough for us if only Chile achieves progress because our main partners are Latin American countries. We are concerned about what is happening in Latin America. [end recording]

Errazuriz said he had conveyed at the SELA meeting the Chilean Government's desire to contribute to achieving Latin Americn unity.

Teitelboim Favors Military-Opposition Talks

PY0408155089 Santiago Domestic Service in Spanish 1030 GMT 4 Aug 89

[Text] Volodia Teitelboim, the top leader of the proscribed Communist Party of Chile [PCCh], has said that he and the PCCh favorably view the steps taken in our country toward promoting dialogue between the opposition and the Armed Forces.

The PCCh leader said dialogue is absolutely necessary to restore democracy. He considers the Armed Forces the appropriate counterpart for holding talks with civilians in the opposition.

Teitelboim made these remarks during the release of a book entitled "Criticism and Socialism: A Reflection From Chile." The book, written by a group of Marxist leaders, focuses on the need to revise policies amid the crisis of identities and basic contradictions among Chilean leftist sectors.

In reply to a question, Teitelboim said he was strongly against the new amnesty proposal and that the courts should hear all cases of human rights violations perpetrated in recent years.

Government Rejects PCCh Newspaper Registration

PY0408145589 Santiago Domestic Service in Spanish 1030 GMT 4 Aug 89

[Text] The Economy Ministry Copyright Office has turned down a petition for registration submitted by the newspaper EL SIGLO because it could be confused with the publishing firm SIGLO XXI.

The Copyright Office did not accept, however, the attorney general's contention that the petition should be rejected because EL SIGLO represents a totalitarian ideology, that of the Communist Party of Chile.

It has been reported that the Copyright Office functions as a court and that its decisions can only be appealed before the Supreme Court.

Opposition Magazine Printing House Bombed

PY0508004389 Madrid EFE in Spanish 2149 GMT 4 Aug 89

[Text] Santiago, 4 Aug (EFE)—Unidentified persons last night set fire to the printing house of the "Pluma y Pincel" opposition magazine, which will commemorate its 1st anniversary next week.

Some witnesses said that the fire began early this morning following a "strong blast." They also said that a car was seen fleeing from the area.

The magazine is considered to be linked to the outlawed Chilean Communist Party [PCCh], but Pluma y Pincel director Leonardo Caceres today denied that his magazine has anything to do with the PCCh.

"This is not a PCCh magazine, and it is not even a Communist magazine. It is a popular magazine and, as such, it seeks to describe the problems that affect workers and the poor at large," Caceres said.

According to estimates by printing house manager Jose Miguel Arteaga, the fire caused losses of 60 million Pesos (some $200,000).

Colombia

Patriotic Unity Leader in Cordoba 'Gunned Down'

PA0308225989 Madrid EFE in Spanish 2153 GMT 3 Aug 89

[Text] Bogota, 3 Aug (EFE)—Gustavo Guerra, coordinator of the leftist Patriotic Unity [UP] in Cordoba Department in the country's northwest, was gunned down today.

Meanwhile, the four topmost UP leaders, headed by President Bernardo Jaramillo, still occupy the office of Government Minister Orlando Vasquez in Bogota to protest the murders of the organization's members.

The UP leader in Cordoba was murdered at approximately 1500 (2000 GMT) today, at the same time that the government designated in Bogota General Miguel Alfredo Maza Marquez, Administrative Department of Security [DAS] director, as the government delegate to meet with those who are occupying the government minister's office.

Guerra is the third UP member murdered within the past 36 hours. His death raises to 384 the number of the organization's members and leaders murdered since it was founded in 1985.

Maza Marquez is expected to meet within the next few hours with Jaramillo and the three other UP leaders who are in the minister's office.

UP Leaders Leave Ministry

PA0508030889 Buenos Aires REUTER in Spanish 2310 GMT 4 Aug 89

[Text] Bogota, 4 Aug (REUTER)—After they were promised that the Colombian Government would intensify its offensive against rightist paramilitary groups, leftist political leaders vacated the Interior Ministry offices, which they had occupied for 27 hours.

The five leaders of the leftist Patriotic Union [UP] party left the ministry's offices last night after the prosecutor general [words indistinct] the Administrative Department of Security [DAS] signed a statement promising the government would "intensify its efforts" against the illegal activities of right-wing groups.

The UP said that 854 of its members have been killed—most of them by rightists—since the alliance, a coalition of the Communist Party of Colombia with former leftist guerrillas, was formed in 1985.

Eleven UP members were gunned down last week. This prompted the organization's leaders to occupy the office of Interior Minister Orlando Vasquez Velasquez.

The leftist leaders agreed to vacate the ministry after the government promised to reinforce its protection of the leftist and union leaders.

The government statement, signed by Prosecutor General Alfonso Gomez Mendez and DAS Director General Miguel Maza, also points out that the UP members will be invited to make proposals and bring charges before a new high-level commission that has been formed to counter the rightist paramilitary squads.

In April, President Virgilio Barco promised to wage total war against the death squads, also known as paramilitary squads, which reportedly are financed by drug traffickers.

The UP, which is the leading leftist party in Colombia, obtained 4.5 percent of the total vote in the 1986 general elections.

Police Foil Attack on Minister

PA0508035589 Hamburg DPA in Spanish 2328 GMT 4 Aug 89

[Text] Bogota, 4 Aug (DPA)—The authorities have reported that a police patrol today in Medellin foiled an attack on Government Minister Orlando Vasquez Velasquez and presidential hopeful Luis Carlos Galan.

According to the report, the policemen found two powerful bazookas, loaded and ready for firing, hidden near a street that Vasquez Velasquez and Galan would cross minutes later on their way to the University of Medellin where they were participating in an academic congress.

According to the same report, the weapons were hidden behind the wall of an abandoned house. Also behind the wall the police found two machineguns and a revolver.

A man was arrested during the operation while several of his accomplices, who are now being sought by soldiers and policemen, fled from the scene.

It is not known whether the attack was going to be carried out by rightist paramilitary groups financed by the drug trafficking mafia or by some guerrilla movement.

Government To Hold Talks With FARC, EPL

PA0608155189 Paris AFP in Spanish 2035 GMT 5 Aug 89

[Report by Pablo Rodriguez]

[Excerpt] Bogota, 5 Aug (AFP)—Colombians today received with optimism and cautiousness the announcement by the government of President Virgilio Barco that it will hold a dialogue with guerrillas from the Revolutionary Armed Forces of Colombia [FARC], and the Popular Liberation Army [EPL].

The significant government decision was announced last night by the Presidential Advisory Board for Reconciliation, Normalization, and Rehabilitation, which is in charge of implementing the peace policy of President Barco's liberal government.

This way, the peace process will include a broad sector, because some progress has been attained in the talks with the M-19 April Movement and the talks would now include the FARC, the oldest and largest subversive group in the country. [passage omitted]

ELN Destroys Vehicles, Attacks Bellavista

PA0508010489 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 4 Aug 89

[Text] Nine tractor trailer trucks carrying coal were blown up today by a column of the self-styled National Liberation Army, ELN, which intercepted them between the municipalities of La Jagua de Ibirico and Chiriguana, Cesar Department, according to the authorities' report. The information states that the column set up a road block and forced the drivers to park the tractor trailer trucks and flee.

The guerrilla fighters later set fire to the vehicles, causing some damage on the highway. The losses have been calculated in the neighborhood of 200 million pesos. Traffic was suspended for some hours while public works personnel made the corresponding repairs.

Likewise, the ELN attacked the town of Bellavista, Magdalena Department, early this morning, killing two policemen and kidnapping several others.

New Antiguerrilla Movement Formed in Caqueta

PA0508040489 Bogota EL SIGLO in Spanish 3 Aug 89 p 2-A

[Text] A new organization called the "Democratic Committee of Caqueta," CDC [Comite Democratico Del Caqueta], has emerged; it has launched an intense publicity campaign against the groups that have taken up arms.

The CDC is suspected to have links with social sectors in Uraba Department and in the Middle Magdalena Region, because in its communiques it refers to former UP [Patriotic Union] congressman Braulio Herrera, who directs several guerrilla groups in the Middle Magdalena region, and criticizes the "Sintagro" [Farmworkers Union] and "Sintrabanano" [not further identified] labor organizations in Uraba Department.

The CDC states that "Sintagro" has links with the EPL [Popular Liberation Army] guerrilla group and that "Sintrabanano" has links with the FARC [Revolutionary Armed Forces of Colombia] and the UP.

The "CDC" slogans are: "Peace is Democracy," "Democracy is Freedom," and "Defeat Communism."

The CDC claims that in Colombia there are "two independent republics: Casaverde, belonging to the FARC, and Santo Domingo belonging to the M-19 [19 April Movement]."

The CDC addresses all liberals in a fraternal manner and tells them that the "current government has adopted the cowardly peace policy of its predecessor."

The CDC also said that it will cease to exist "as soon as the FARC-UP, the ELN [Army of National Liberation], the EPL, and the M-19 give up their arms and demobilize their troops, and their leaders are brought to trial;" "the Sintrago and Sintrabanano labor organizations stop intimidating the banana sector," and the "CUT [United Workers Federation] is dissolved."

Inflation Rate Down 6.51 Percent in 1989

PA0508130489 Bogota Emisoras Caracol Network in Spanish 1215 GMT 4 Aug 89

[Summary] The DANE [National Administrative Department of Statistics] has reported that inflation has dropped 6.51 percent thus far this year. DANE also reported that the prices of most staple food products remained stable.

* Pros, Cons of Challenger Loan Viewed

33480224a Bogota EL ESPECTADOR in Spanish 2 Jul 89 p 1 B

[Article by Carlos Rodado Noriega: "The Recessive Effects of the Challenger Loan"]

[Text] The signing of the so-called Challenger loan agreement, which has been much publicized, leaves the false impression that although it is experiencing some difficulties, the country is resolving the serious problem of its foreign debt. Nothing could be further from the reality than this mistaken belief, which confuses temporary patching with enduring solutions. But what is also not being said is that the problem of the Colombian foreign debt is more critical now than before, and that the refinancing plan (asking for loans so as to be able to make payments) has not only failed to meet the need for foreign resources, but has in fact contributed to aggravating the macroeconomic problems of the nation.

In recent days there has been a very intensive discussion about the decline in economic growth. The minister of treasury believes that it is a simple slowdown, such that the phenomenon of recession becomes a purely semantic discussion. The fact is that after having developed at the rate of 5.5 percent in 1987, the national economic growth rate is now a languid 3.5 percent. Given the first hypothesis, 13 years will be needed to double the precarious per capita income of the Colombian citizen, while given the second, it will take 21 years. The fact that some people want to call this a slowdown can only be a euphemistic way of looking at matters. In our opinion, it is a question of the collapse of economic activity, and therefore of the levels of well-being of the people closely linked with the development of productive activities.

Debt and Growth

But what has not been analyzed is the close relationship between payment of the foreign debt and the decline in the increase of the gross domestic product. Generally these two aspects are presented as if they were independent, with the results dictated by variable factors which are not interlinked or related. However, when one notes that a country such as ours, which is exporting, with difficulty, goods worth $6 billion, must allocate $3.2 billion to meet its foreign debt service, including principal and interest, as will be the case in 1989, one can readily conclude that a substantial volume of resources is going to fill the coffers of our international creditors rather than expand our productive apparatus and dynamize the national economy. This volume of foreign exchange could, alternatively, serve to finance imports of equipment, machinery, and supplies for the agricultural and industrial sectors, to modernize them technologically and make them more competitive on both the international and domestic markets.

Further still, the problem is not only the shortage of dollars but the shortage of pesos as well—in other words, the lack of a healthy national currency such as is produced by the tax income of the nation, rather than by inflationary currency issues. In reality, the fact is that every year it is necessary to allocate more than a quarter of the estimated income in the national budget for payment of the debts of the nation and the national bodies. These are pesos which have to be used to purchase foreign currencies to pay off commitments abroad. And these pesos, naturally, are needed for the public investment plans and programs, which are generally postponed or cut short for lack of funds to carry them forward in a timely fashion. When the Challenger funds come in, the basic unmet needs will have to continue to wait. And when resources finally arrive—if they arrive—the projects have become so much more expensive that the initial goals and objectives of the government become a mere mockery of the desires of the people.

Unequal Development

The economic authorities have dragged out the process of negotiating and signing the famous Challenger credit agreement for almost 20 months. More than 6 months ago, the president of the Republic announced in his end-of-the-year address that the signing of the loan contract was imminent. And still today, we do not know for certain if we can count on resources equal to the so-called "critical mass" of credit, since at least some four European banks have shown reluctance to participate in this agreement. The FRANKFURTER ALLGEMEINE ZEITUNG stated: "The withdrawal of the representatives of the Dresdner Bank, which was the leader of a consortium of European and North American banks, could cause the jumbo credit package for Colombia to founder. According to the Chemical Bank, the bank loans will not go through until a minimum sum of $1.45 billion (critical mass) has been guaranteed. But without the $48 million from the European-North American consortium, this amount will not be obtained." But even if the agreement is in the end signed by all of the banks which initially promised to make contributions to this syndicated loan, the resources will not, in any case, begin to be paid out until late 1989. This means that for almost all of this year, the country will not receive foreign credit resources, but on the other hand it has been religiously paying its commitments to foreign creditors to the very last dollar. It is very hard to believe that under these conditions, Colombia will not have become a net exporter of capital, despite the announcements by the czar of Colombian finance to the effect that this dishonorable situation would never be allowed to develop in our country. Now then, despite excellent ministerial intentions, we have been and we continue to be in that lamentable situation, which puts us in the absurd role of donors of blood (capital) while we are suffering from financial anemia.

The government itself has already begun to make downward adjustments in the goals for overall economic growth. Now the National Planning Department is not expecting a rate of increase in the gross domestic product any higher than 4 percent, which is the same as saying that in practice, this rate will be hard put to remain at around 3 percent. The Chenery Mission has estimated that a rate of increase in the gross domestic product of at least 5 percent is necessary to maintain the absolute level of unemployment, while a higher rate would be required to reduce the unemployment rate in enduring fashion. It seems that we will fall far short of these laudable goals, particularly if we continue with Simon El Bobito's strategy of continuing to pay the international bank with religious fanaticism, while every type of dilatory excuse is being brought forth to limit the flow of capital to our country. And this imbalance, which we have been reporting for several years now, has finally been perceived by the minister of finance. When signing the much advertised Challenger agreement without much conviction, and almost reluctance, he admitted that "the next Colombian goal will be to balance the scale which has on one side, the level and management of the debt, and on the other, the response of the financial institutions. Today the scale is tipping in the direction which is disadvantageous to the country."

* Youth Polled on Politics, Voting

33480224b Medellin EL COLOMBIANO in Spanish 19 Jun 89 p 6 A

[Article by Enoris de Martinez]

[Text] We will deal here with the results of the opinion poll covering 1,000 individuals taken by the Center for Political and Economic Studies (CEPE), in collaboration with the University of Medellin.

Consistent with the goal of EL COLOMBIANO, which is to report fully and objectively on current issues, we are today beginning publication of the results of four opinion polls taken by the CEPE, in collaboration with the University of Medellin, on four basic aspects of Colombian life:

- Youth and politics;
- Abstention;
- Political options;
- Popularity of presidential candidates

"These polls represent the first stage of a sequential study of the national political situation. In the course of this study, the results of these polls, among others, will also be compared with the data on the preceding and approaching congressional and presidential elections, as well as those for the mayor and municipal council of Medellin," the authors of the polls explain.

They say that the work was done "for the purpose of understanding the general views of the population in the metropolitan area of Medellin on various political topics, and, basically, with regard to the acceptability of the political regime and the various inclinations of the potential voters.

Carlos Eduardo Naranjo Florez, the coordinator of the research, is a professor at the University of Medellin, a lawyer, and director of the CEPE group. Jaime Andres Cuartas is the head of the Data Processing Department at the University of Medellin and the coordinator of the interviewers. In addition, he drafted the related data bases which make it possible to determine the direct trends in some responses, as well as the indirect trends.

University of Medellin students participated in the overall work, which took 3 months. The survey for this poll covered a universe of 1,000 individuals, and involved 10 questions asked of a broad and diversified population in many sectors of the city.

It should be noted that for obvious reasons, not all of the variants in the poll are being published, nor is this newspaper or the journalist presenting this work responsible for the statements or data published here. According to the two individuals mentioned above, the polls were taken objectively.

Age and Sex of Those Interviewed

- 41.9 percent between 16 and 20
- 58.1 percent between 21 and 27
- 43.3 percent men
- 56.7 percent women

First Four Questions and Answers

1. Have you been active politically?

Answer	Percentage
Never	65.5
Sometimes	28.2
Regularly	21.9

2. Do you believe that politics is:

Answer	Percentage
Good	24.0
Average	53.1
Bad	21.9

3. Are new alternatives needed in the country?

Answer	Percentage
Yes	91.8
No	8.2

4. Do you believe that the political training of young people is:

Answer	Percentage
Good	10.5
Average	43.9
Bad	5.6

Questions 5 Through 10

5. Do you understand the electoral mechanism?

- Yes—52.8 percent
- No—47.2 percent

6. Do you believe in the electoral mechanism?

- Yes—41.0 percent
- No—59.0 percent

7. Have you voted?

- Yes—24.2 percent
- No—75.8 percent

8. What do you believe the voting age should be?

- The age presently stipulated (18)—60.3 percent
- Lower (under 18)—6.9 percent
- Higher (over 18)—32.8 percent

9. When elections are held, do you have the impression that:

- A. It was a routine thing, a mere change of government leaders which occurs periodically—67.3 percent
- B. It was a political action which contributed to the enhancement of democracy—31.7 percent

10. In the next elections, would you vote for:

- A. One of the political parties now in existence—25.0 percent
- B. A new alternative—32.2 percent
- C. Would not vote—41.8 percent

Conclusions

According to the interviewers, the conclusion is that young people, although they are not participating in politics actively, are not disinclined to do so. It suffices to compare the marked difference between those with a positive view of politics (32.1 percent) and those negative toward it (7.5 percent).

They note that "with regard to political participation (first question), the majority of those surveyed have never taken part in politics. However, this is not because they are reluctant to, or because in general they have an unfavorable concept of it, as can be seen in terms of the opinion the young people have of politics, since the positive answers on this subject are in the majority (77.1). Given this situation, it can be concluded that young people are not finding adequate mechanisms to motivate them to participate directly.

"It is precisely this conclusion which is borne out by their opinions on the need for new political alternatives in the country."

It is worth mentioning that apparently, the new alternatives of the UP [Patriotic Union] type are not regarded as possible choices.

Lack of Understanding

According to the authors of the work, one of the other reasons for the low level of participation in politics by young people may perhaps be a lack of understanding of the mechanisms which operate in connection with politics. In fact, a large percentage of those interviewed expressed the belief that there is inadequate education about political matters, and in addition, they do not understand the electoral mechanism, which is the most significant point.

"It is surprising to see what a large percentage of young people do not believe in the electoral mechanism, bearing in mind that a large percentage of them say they are not familiar with it.

However, on the other hand, it seems that parallel with this, they do not have confidence in the electoral procedures.

As to the inclinations of young people concerning the next elections, the interviewers say that a considerable decrease in abstentions is indicated, since a majority will opt either for a traditional party or for a new alternative. At the same time, the majority of those who have already voted on earlier occasions incline toward continuity in the coming elections.

Relative Analysis

In a second analysis, the researchers, by abstracting those interviewed who met certain requirements on a given number of questions, developed some very revealing data. The following are the most significant points:

1. Among those who have already voted, those who will vote—73.75 percent

- A. For an existing party—54.8 percent
- B. For a new alternative—44.2 percent

2. Among those who have already voted, those who will not vote—25.8 percent

- A. Those who believe the elections were routine—83.3 percent
- B. Those who believe the elections enhanced democracy—16.6 percent